

APR-121 42967
UNCLASSIFIED

**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**

BOTSWANA

**COUNTRY DEVELOPMENT
STRATEGY STATEMENT**

FY 82

January 1980

**UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
WASHINGTON, D.C. 20523**

UNCLASSIFIED

THIS STRATEGY STATEMENT HAS BEEN PREPARED BY THE
A.I.D. FIELD MISSION. IT IS PREPARED ANNUALLY AND
USED FOR PLANNING PURPOSES IN THE FIELD AND IN
WASHINGTON. IT DOES NOT REPRESENT OFFICIAL AGENCY
POLICY.

**

*

B O T S W A N A

COUNTRY DEVELOPMENT STRATEGY STATEMENT

FY 1982

February 11, 1980

TABLE OF CONTENTS

	<u>Page</u>
PART I - OVERVIEW -----	1
I. GENERAL OVERVIEW -----	1
II. ECONOMIC GROWTH AND DEVELOPMENT -----	5
A. Macro Economic Overview -----	5
Government Finance -----	6
Balance of Payments -----	7
Prices -----	7
B. Main Economic Sectors -----	7
1. Agriculture -----	7
2. Crop Production -----	8
3. Mining -----	9
4. Government -----	9
5. Relationship to South Africa -----	10
Employment -----	10
Customs Union -----	11
Transportation and Communications -----	11
Industry and Commerce -----	12
Food -----	12
Energy -----	12
III. DESCRIPTION OF THE POOR -----	14
A. Overview -----	14
1. Rural Poverty -----	15
2. Sources of Income -----	16
3. Dietary Status -----	18
4. Health Indicators -----	18
5. Rural Water -----	19
6. Education -----	19
7. Urban Poverty -----	20
8. Sub-groups -----	21
Freehold Farm and Cattle Post Employees -----	22
Female-Headed Households -----	22
Basarwa (Bushmen) -----	22
B. Causes of Poverty -----	23
1. Natural Resources and Environment -----	23
2. Access to Land -----	24
3. Employment -----	25
4. Productive Resources -----	26
IV. PROGRESS AND COMMITMENT OF HOST COUNTRY TO DATE -----	27
A. Development Policy and Plans Since Independence -----	27
1. Social Performance Trends -----	28
2. Education -----	28
3. Health -----	29

TABLE OF CONTENTS (continued)

	<u>Page</u>
B. Differential Effects on Selected Groups -----	29
1. The Rural Poor -----	29
2. The Basarwa -----	31
3. Rural Female Heads of Household -----	31
4. Wage Laborers on Freehold Farms, Ranches and Cattle Posts --	31
5. Urban Poor -----	31
C. Host Country Development Plans -----	31
1. Absorptive Capacity -----	32
D. Role of Foreign Assistance in Development -----	33
1. Donor Assistance -----	33
2. Donor Coordination -----	34
3. Other Donor Assistance -----	34
PART II - STRATEGY -----	37
A. Objectives -----	38
B. Development Alternatives -----	41
C. Regional Development Programs -----	43
D. AID Assistance Strategy: FY 1982-1986 -----	44
E. Kinds and Terms of Assistance -----	47
F. Absorptive Capacity -----	48
PART III - ASSISTANCE PLANNING LEVEL -----	49
A. Indicative Planning Allocation (IPA) and Proposed Assistance Planning Level (PAPL) -----	50
1. The Sector Approach -----	51
2. Agriculture and Rural Development -----	51
3. Health -----	52
4. Human Resources Development -----	52
5. Transportation -----	53
6. Special Development Activities -----	53
7. Regional Projects -----	53
8. PL 480 -----	54
9. Housing Investment Guarantee -----	54
B. USAID/Botswana -----	54
1. Staffing -----	54

ACRONYMS

ALDEP	Arable Lands Development Program
ARDP	Accelerated Rural Development Program
BAMB	Botswana Agricultural Marketing Board
BMC	Botswana Meat Commission
BEDU	Botswana Enterprises Development Unit
CIDA	Canadian International Development
DDC	District Development Committee
DDF	Domestic Development Fund
DLUP	District Land Use Plan
EEC	European Economic Community
FRG	Federal Republic of Germany
GOB	Government of Botswana
IBRO	International Bank for Reconstruction and Development
IESC	International Executive Service Corp. Inc.
IMF	International Monetary Fund
MFDP	Ministry of Finance and Development Planning
MLGL	Ministry of Local Government and Lands
NDP-V	National Development Plan V: 1980/81-85/86
NORAD	Norwegian Agency for International Development
PVO	Private Volunteer Organization
RIDS	Rural Income Distribution Survey
SIDA	Swedish International Development Agency
TGLP	Tribal Grazing Lands Policy
U.K.	United Kingdom

Currency Equivalent: US\$1.2870 = Pula 1.00

US\$1.00 = Pula 0.77

Botswana Fiscal Year: March 1 - April 30

Botswana



502703 9-77 (541802)
 Lambert Conformal Projection
 Standard parallels 6° and 30°
 Scale 1:6,500,000
 Boundary representation is
 not necessarily authoritative

— Railroad
 — Road
 ✈ Airport

PART I - OVERVIEW

I. GENERAL OVERVIEW

By almost any conventional standard, Botswana has one of the most liberal democratic non-racial societies in Africa. As a functioning parliamentary democracy with a philosophy of non-racialism, Botswana has an outstanding human rights record. The Government holds no political prisoners, operates under the rule of law with an independent judiciary and has welcomed political refugees from neighboring countries, despite the ever-present threat of crippling economic retaliation. During the first five years of its independence (1966-71), traditional large-scale cattle farming was the main source of income, export earnings, and government revenues. More recently, production of minerals, mainly diamonds, copper and nickel, is gaining increasing importance as an alternative source of income.

In terms of generating employment, however, mining has ~~a limited impact~~: in 1977, ~~only 5,500 people held jobs in the domestic mining industry.~~^{1/}

small-scale industry
At present, livestock accounts for only a slightly smaller percentage of GDP than mining and 70 percent of the value added in the agricultural sector. As in the case of mining, the livestock sector in Botswana has a relatively narrow base. The Rural Income Distribution Survey (RIDS) carried out in 1974/75 showed that five percent of households in Botswana owned 50 percent of the cattle, while 45 percent of rural households owned no cattle at all. Thus, a situation exists in Botswana where commercial economic activity is concentrated in two sectors, and both directly benefits only a small percentage of the total population. This puts Botswana in a precarious position, especially due to its dependence on foreign trade -- imports amounted to 64 percent of GDP in 1977 -- and it means that many Botswana have not yet begun to participate in and benefit from the development process, except through the increased availability of basic social services (education, health, village water supplies). While urbanization is increasing more rapidly than in most developing countries, approximately 85 percent of the population still reside in the rural areas of Botswana.

^{1/}Employment Survey, Central Statistics Office, MFDP, August 1977.

There are eight principal tribes in Botswana. Seven of them are Tswana, one of the three divisions of the Sotho group of the Bantu family, and the eighth is Transvaal Ndebele. Almost all of these Batswana speak the same language. Relative to most other African countries, tribal divisions in Botswana are thought to be quite mild.

Outside of this basic tribal structure lie the Bushmen (or Sarwa), who are regarded as the aboriginal inhabitants of most of Southern Africa. Ethnically, culturally and linguistically they are quite distinct from the rest of the population of Botswana, of which they comprise only a small proportion (7 percent in 1979). Historically, they have been nomadic hunters and gatherers, living in the Kalahari and engaging in no cattle raising or cropping. Recently, however, they have largely become wage laborers on ranches and farms, clients of cattle raising tribes, and some have settled in or near towns and villages primarily in the western region.

Botswana's long-range development potential is constrained by its limited natural resource base and its vulnerability to regional economic and political circumstances. The country has probably already reached its optimum livestock carrying capacity and growth in the livestock sector subsector must depend on increased offtake and improved range management and animal husbandry practices. The country's potential for crop production is limited by low rainfall and poor soils. Prospects for irrigated agriculture are not bright due to limited surface water except in the remote Okavanga Delta where large-scale exploration would be costly and would require detailed study to avoid ecological problems.

Mining prospects are exceptionally bright. It seems almost certain that additional economic deposits of diamonds, coal, copper, soda ash and other minerals will be developed and that the minerals sector will continue to provide the country with increased income.

Industrial and commercial expansion has been limited by a small domestic market (despite theoretical access to the large South African market via the Southern Africa Customs Union), the relatively high cost of Botswana labor due to skill limitations and high competitive wages in South Africa, an acute shortage of local entrepreneurs and managers, and limited supportive infrastructure (power, water, transport and telecommunications).

A dearth of middle and upper-level personnel, due largely to historical factors, is an overriding constraint to development in all major sectors of the economy. Priority attention must be given to improvement of the country's formal education system starting with primary education and skill-training programs.

The country's physical infrastructure base expanded rapidly in recent years and the populous Eastern Corridor will soon be well served by good truck road, rail, air and telecommunications systems. Links to the rest of the country are still rudimentary, however, and roads to rural areas, even in the East, are often seasonally impassable, limiting the movement of produce to markets.

Botswana's economy is quite vulnerable to forces beyond the direct control of the country's economic planners, due to:

- its landlocked location with limited access to ports
- the "open" nature of its economy

- its dependence on South Africa for transport, tax revenues, wage employment, essential commodities and services, investment capital and energy
- its susceptibility to drought
- its dependence on expatriate manpower
- its location in strife-torn Southern Africa surrounded by South Africa, Namibia and Zimbabwe.

The Government of Botswana (GOB) has focused development planning efforts on four basic long-term goals: (1) rapid economic growth, (2) social justice, (3) economic independence, and (4) sustained development. The GOB's principle means of achieving these goals are by placing great emphasis on improving the standard of living of its total population by using the proceeds of its primary growth sectors (livestock and minerals) to finance social services, diversify its economy, and provide productive employment opportunities.

As noted, a major factor affecting the degree to which development strategy can be implemented is the vulnerability of Botswana's economy, in particular, its landlocked and drought-prone location, the degree of its openness and the nature of its primary industries. This represents a potential threat not only to rapid growth, which many in Botswana have come to consider "natural," but to even more gradual economic and social progress. The uncertainty stemming from political events in Southern Africa has heightened that precariousness which can affect not only internal and external security, but also revenue, ~~private investment~~ and export earnings. The present tentative settlement in Rhodesia does not clear the air of this uncertainty, but only concentrates new attention on Namibia and South Africa itself.

The nature of the dominant mining and cattle sectors makes considerable openness of the economy (in 1977 imports represented 65 percent of GDP, exports 50 percent). Price fluctuations in the mining sector world markets and strikes at export receiving facilities compound the technical difficulties which have hampered meeting production goals. The GOB depends heavily on foreign mining enterprises for substantial investments and management which greatly influence economic growth, revenues and future development of unexploited deposits.

Until the development of minerals in the early 1970's, livestock and cattle rearing were the mainstay of the economy; they still account for 70 percent of agricultural sector output, and about 30 percent of both merchandise exports and total GDP. This significance derives mainly from Botswana's semi-arid climate and the strong comparative advantage in livestock rearing provided by the savanna-type vegetation covering more than half of the country. Attempts are underway to remove the major uncertainties affecting the livestock sector, particularly by maintenance of access to the lucrative EEC market and by preservation of grazing lands through improved animal husbandry and introducing modern ranching techniques. The planned expansion of beef exports through increasing annual offtake of the now 3 million national herd will necessitate improvements in transport facilities and expanded abattoir capacity.

In addition to its vulnerability, Botswana's expanding economy is characterized by the skewed distribution of income, a feature common to both cattle and mineral producing countries of Africa. A major factor underlying this pattern of income distribution -- which is uncommonly well-documented in rural Botswana -- is the correspondingly skewed ownership of cattle (5 percent of rural households own 50 percent of the cattle). In the recent Rural Income Distribution Survey (RIDS), the poorest decile of households were found to have annual incomes one-tenth those of the richest decile, while the poorest 40 percent of the households had annual incomes below an estimated absolute poverty line. The Gini coefficient for rural Botswana households was .52, slightly less unequal than the national coefficient of 5.7. These are relatively high degrees of inequality, but compared with East African coefficients are not excessively so, considering an estimated coefficient of .60 in Tanzania, .64 in Kenya, and .47 in Malawi.^{1/}

II. ECONOMIC GROWTH AND DEVELOPMENT

A. Macro Economic Overview

Botswana has achieved rapid economic growth throughout the 1970's, led mainly by development of the minerals sector. During the five-year period through 1976/77, GNP at constant prices increased at an average rate of about 10 percent per year, and real GDP per capita rose by 35 percent. At current prices, GNP per capita is expected to be \$956 in 1980/81 and Botswana has been taken off the United Nation's list of least developed countries. The government estimates that 20 percent of GNP accrues to non-citizens, thus per capita income for Botswana should be reduced to \$765. Although national accounts data are not

^{1/}From IBRD Report No. 1832-BT, Economic Memorandum on Botswana.

available beyond 1976/77, the IMF estimates that real GDP grew by 8 percent in 1978 and a further 14 percent in 1979.

Mineral exploitation, which began only in 1971, has become the dominant factor influencing the pace of economic activity, the external payment position and government finance. The rapidly rising mineral output has significantly reduced the economy's former exclusive dependence on livestock. Data on the sectoral origin of GDP indicate that the share of agriculture/livestock declined from over 40 percent during the 1960's to an average of 28.5 percent in 1977. The share of mining sector increased from 1 to 10 percent in that period.^{1/} By 1981, agriculture and mining shares of GDP are projected to be 22 and 33 percent, respectively.

Government Finance

Botswana has enjoyed a very rapid growth in budgetary revenues with total receipts rising from P47 million in 1974 to an estimated P203 million in 1980, owing principally to revenue increases from the mining sector and the Southern Africa Customs Union. Recurrent expenditures have also increased sharply, by more than 200 percent between 1976 and 1980, due to expansion of government administration, the recurrent costs resulting from an expanding development program, and increases in public service salaries. The government sector is relatively large in a small formal employment sector, with total expenditures roughly equal to 38 percent of GDP. During the Fifth National Development Plan (NDP-V) period (1981-1985), real recurrent expenditures are expected to increase by an extraordinary 8-9 percent annually. The share of wages in recurrent expenditures rose from 33 percent in 1973 to 48 percent in 1980, although compared to most African countries, this leaves a relatively high percentage of recurrent revenue available for non-personnel expenditures. Capital expenditure growth, largely through the Domestic Development Fund (DDF) and donor grants, has increased from P30 million in 1974 to approximately P67 million in 1980, with the GOB budget providing an increasing proportion (now approximately one-third) of the necessary funds.

In the current fiscal year ending March 30, 1980, IMF estimates a small overall surplus in the government budget, equivalent to about 2 percent of expenditures, if donor funds are made available at projected rates. A similar small surplus is expected in the years until the new diamond mine begins producing in 1982 after which the government should have much larger surpluses.

^{1/} International Monetary Fund Report "Botswana - Recent Economic Developments," November 1979.

Balance of Payments

Botswana has enjoyed surpluses in its balance of payments in recent years and presently maintains foreign reserves equal to about eight months of imports.* Prices for both its diamond and meat exports are good and exports are expected to rise by over two-thirds resulting in a modest trade surplus for the first time. The export markets are strong and, fortunately for Botswana, diverse. Copper and nickel are exported primarily to the U.S. and West Germany, diamonds to the U.K., and beef to the EEC. However, these markets are also vulnerable. A recent strike at a Louisiana copper smelter stopped Botswana exports for several months. The access to EEC for Botswana beef is dependent on EEC political decisions at a time when EEC is already sitting on a "mountain of beef."

Prices

Inflation eased in 1978 to 8 percent, down from 12 percent the preceding two years. However, the rate accelerated sharply during the first half of 1979 to an annual rate of 18 percent due primarily to increases in petroleum prices and imported foodstuffs. This rate might have been higher except for the impact of the 5 percent revaluation of the pula during early 1979, which was designed to counter the effects of "imported" inflation from South Africa.

B. Main Economic Sectors

1. Agriculture

Agriculture is the predominant form of economic activity in Botswana. More than 85 percent of the population still live in rural areas and are dependent on some form of agricultural activity. However, the contribution of this sector to nominal GDP has fallen from 36 percent in 1973/74 to 24 percent in 1976/77, and is estimated to have declined substantially further in subsequent years, following the emergence of mineral production as the most dynamic sector of the economy.

The major agricultural activities in Botswana are livestock production and the cultivation of staple food crops, such as sorghum and maize. Livestock production, mainly cattle, accounts for more than 85 percent of total value added in the agricultural sector.

*For explanation of retention of high level of resources, see Part II.

The savanna-type vegetation covering large parts of the country is highly suitable for animal husbandry. The bulk of cattle production is for export, and in recent years exports of meat and meat products have accounted for about 21 percent of the country's total exports. The prime export market is the EEC whose subsidies raise the price of Botswana beef to 25-30 percent above world market levels. In addition to cattle, there is also other stock raising, mainly sheep and goats, on a small scale. These form an important source of milk and meat for subsistence farmers, although some are also marketed for urban consumption or exports.

Livestock holdings have been the traditional indicator of wealth in Botswana, and the cattle industry has been a main pillar of growth in the rural economy. Much of the investment and growth recorded in the economy since 1965 consists of increases in the cattle herd, which grew from 1.2 million in 1965 to 3 million (estimated) in 1979. For a variety of economic reasons, Botswana producers are reluctant to turn their cattle into cash, resulting in only 8.2 percent of the cattle being slaughtered in 1977. Cattle are one of the least taxed forms of wealth in the country. The only effective tax is a 15 percent turnover tax placed on the abattoir which is, in turn, passed on to the producer in the price paid for the cattle.

2. Crop Production

Arable agricultural activity in Botswana consists of production of major staple food crops, such as sorghum and maize, as well as millet, beans, cowpeas, and sunflowers. Most of the production is for subsistence consumption. The normal output of staple crops amounts to no more than 50 percent of domestic requirements (of 180,000 tons per year); the rest is imported from South Africa.^{1/}

It is estimated that about 2.3 percent of the land area (equivalent to 13,600 square km) is suitable for cultivation, but no more than 15 percent of this area is planted in any one year. Generally, yields are extremely low, and annual variations can reach 300 percent, reflecting the low amounts and the erratic nature of rainfall. Apart from unfavorable climatic conditions,

^{1/}International Monetary Fund Report "Botswana - Recent Economic Developments," November 1979.

crop production is hampered by the shortage of rural labor force which is caused by the migration of the rural population to urban areas and ~~in South Africa~~ in search of more attractive employment opportunities (see also Productive Resources, p.24). Another factor that has contributed to the stagnation of the farm sector is the existence of more efficient production methods and relatively cheaper supplies of agricultural crops in South Africa.

An agricultural activity usually ignored is hunting and gathering. It is estimated that these activities may represent as much as 10 percent of agricultural product and that 25 percent of the income of all small village households comes from hunting and gathering.

3. Mining

Diamond mining has been the driving force of economic growth in Botswana since 1971. Botswana is expected to become the third largest producer of diamonds after Zaire and the U.S.S.R., when the Jwaneng mine comes on stream in 1982. Botswana also produces copper, nickel and coal, and the extraction of other minerals such as ~~soda ash~~, platinum, gold, petroleum and uranium may be possible over the long term. The mining sector accounts for 63 percent of all exports, 33 percent of government tax revenues (1979/80), but ~~only 10 percent~~ of formal sector employment. Mining provided an estimated 31 percent of GDP in 1979/80, and it is expected that this proportion will rise to 40 percent by 1984/85. The diamond mines are extremely capital intensive with the new P270-million mine at Jwaneng expected to provide only 1,500 permanent jobs for Botswana. Diamond mining is very lucrative for the government; while the GOB is providing only 20 percent of the investment cost of the new mine, it will receive 50 percent of the shares and approximately 75 percent of the profits.

4. Government

Government is an economic sector in Botswana in that it provides an estimated 30 percent of all jobs in the formal sector (1978/79). As the single most important employer, the government's salary policies set the trend throughout the economy. The GOB is now attempting to set overall personnel ceilings in an effort to slow the government's absorption of skilled labor and to lessen the pressure for general wage increases.

In recent years, rapidly rising income levels in the urban areas have attracted an increasing number of the rural population to the cities, resulting in rising urban unemployment. The problem has been compounded with the declining trend in the employment of the Batswana in South Africa, which will particularly aggravate the problem of youth unemployment. Indeed, in spite of the rising trend in employment opportunities in the country, Botswana is facing a serious employment problem. A study completed in 1978 estimated that because of the growing population and the increasing number of migrant workers, to achieve realistic employment levels over a period of 10 years, approximately 18,000 new jobs must be created annually.^{1/} (In recent years, only about 5,000 new jobs have been created annually.) The report has estimated that this goal can be attained only if the pattern of investment is changed in favor of light, directly productive projects and away from heavy infrastructural activities. In view of the lack of potential for employment creation in the mineral sector, owing to its capital-intensive nature, and the unfavorable competitive position of Botswana for development of the manufacturing sector, the thrust of the government's employment policy has been directed at the development of the agricultural sector, in an attempt to increase rural income levels so as to improve the attractiveness of arable farming as an alternative occupation.

5. Relationship to South Africa

Botswana's economy reflects its historical status as an appendage of the South African economy. The resultant economic dependency on South Africa is reflected in the following ways:

Employment: In 1978, an estimated 23,000 Batswana were employed in the mines of South Africa and about an equal number in other sectors in South Africa. A five-fold increase in average mining wages over the past six years has made the lower incomes to be gained in Botswana increasingly unattractive to young Batswana and has contributed to pressure on the GOB to raise minimum wages. Working in South Africa has been a major factor in the deterioration of traditional family relationships in rural Botswana and the increasing number of female-led households, but has provided much needed

^{1/}Michael Lipton, "Employment and Labor Use in Botswana," 2 volumes, MFDP, Dec. 1978.

income to rural households. In addition, the proximity of highly skilled and efficient South African construction and service contractors had led to the use of these firms over the building up and use of qualified Botswana firms.

Customs Union: Participation in the Southern Africa Customs Union Area (SACUA) has provided the country access to inexpensive food, industrial and consumer goods produced in South Africa and has unquestionably contributed to a higher standard of living than found in many other parts of Africa. However, Botswana has not been able to take advantage of the opportunity, in theory, to develop industries to supply the large customs area market due in part to a range of South African non-tariff barriers.^{1/} Also, despite an infant industry clause in the SACUA Agreement, Botswana has had little success in promoting import substitution industries and, hence, increasing domestic modern sector employment. This, though, is due in large part to the small Botswana market and the hesitancy of foreign investors because of regional uncertainties and not to the form of the SACUA. The tariff policies of SACUA, which are geared to the needs of the developed industrial economy of South Africa rather than those of a labor-surplus developing economy, have distorted factor pricing in Botswana. To compensate for this obvious distortion and Botswana's lack of direct sovereignty over trade and tariff policy, Botswana received a substantial subsidy (42 percent of tariff revenues) from the SACUA and the government also depends upon the SACUA for 41 percent of its revenue (1979/80). Botswana's future relationship to SACUA will probably depend in part on the future economic status of an independent Namibia vis-a-vis South Africa and Botswana and potential economic complementarities between independent Zimbabwe and Botswana, as well as the future of other regional trade arrangements.

Transportation and Communications: Like any landlocked country, Botswana is subject to the political and economic vicissitudes of its neighbors for critical access to the sea. Botswana is almost totally dependent on South African ports and South African and Rhodesian-controlled transportation systems (the sole exception by land is the road to Zambia via the Kazungula

^{1/}Percy Selwyn, Industries in the Southern African Periphery, Institute of Development Studies, 1975.

Ferry). The Rhodesian-managed railway carries 80 percent of the import and export traffic between South Africa and Botswana. The Gaborone airport, Botswana's busiest, can receive aircraft no larger than 56,000 pounds or a 60-passenger Viscount, and most air freight and passengers must transit Jan Smuts Airport in Johannesburg. The sole exception, again, is via Zambia, to which Zambian Airways and Air Botswana carry out very limited service. Botswana has minimal aircraft maintenance capacity, and Botswana airplanes receive their periodic maintenance in Johannesburg. This dependence on South Africa for transport has led to government proposals to build a new international airport (P50 million) and to take over the railway (P90 million).

Until this year, Botswana's international telecommunication was dependent on South Africa. The country had practically no effective communication with other majority rule states in the region, a fact that severely handicaps sub-regional economic and trade cooperation. However, this dependency relationship changed in February 1980 when Botswana's Earth Satellite Station became operational.

Industry and Commerce: Although no hard data are available, it is clear that the bulk of large-scale industrial investment in Botswana is controlled by South Africans and other expatriates. Even small-scale industries and many of the country's commercial firms are owned and operated by South Africans. A goodly portion of the real estate on the Gaborone Shopping Mall is owned by South African Indians. Unless Botswana is increasingly successful in diversifying its foreign investment patterns, the growth of the country's private industrial and commercial sectors will depend largely on South African external investment policies and the buoyancy of the South African economy.

Food: Botswana imports 50 percent of its food requirements in a normal year, the majority from South Africa. During drought years (the rule, not the exception), this figure is higher. In addition, Botswana farmers are forced to compete with the more efficient production methods used by large capital-intensive South African farmers, who are also subsidized by their government. The importation of cheaper South African food reduces a small farmer's incentive to increase his production.

Energy: Since the beginning of 1979, import prices for oil have risen particularly sharply because South Africa, with which Botswana has a supply-sharing arrangement and from which Botswana obtains refined petroleum, has had to acquire its oil from the spot market where prices are well above those in the formal OPEC market. The Botswana authorities estimated that the average import price for crude oil was roughly \$45 per barrel, or \$10-15 above the formal OPEC price range.

The policy of Botswana is to pass on import price increases to consumers. Retail gasoline prices have already risen by 80 percent in the course of 1979 to \$2.86/gallon. The authorities estimate that the direct and indirect impact of the increase in oil prices in 1979 would be a reduction in the real growth rate of GDP of between 2½ and 4 percentage points in each of the two years ending June 1980 and June 1981, respectively. Some preliminary estimates suggested that perhaps half of the domestic price increase estimated for 1979 could be attributable to the overall impact of the oil price increase.

Seventy-five percent of Botswana's power is steam-generated at Gaborone and Selebi-Pikwe with domestically-produced coal. Energy for Botswana Meat Corporation (BMC), the diamond mines, the country's 4-7,000 boreholes and remote towns is generated by diesel fuel which is imported via South Africa (and Namibia in the far West). Interruption of the supply of diesel fuel to Botswana would terminate borehole pumping within weeks and could lead to a major crisis in the livestock industry. Energy is very high cost and is another factor which seriously discourages foreign or domestic investment in import substitution industries. The GOB is anxious to develop solar and other renewable energy courses to replace diesel fuel.

The government's objectives over the longer run are to economize on the use of imported oil and to achieve self-sufficiency in power. It has been decided that the most efficient solution would be to construct a central power station based solely on coal, of which Botswana has very large reserves. At P180 million, this would be the single largest government project in NDP-V. The project is in the planning stage and is scheduled for completion by 1985.

III. DESCRIPTION OF THE POOR

A. Overview

In 1974-75, the GOB'S Central Statistics Office conducted a Rural Income Distribution Survey (RIDS), which established rural and urban poverty datum lines based on 6-person households. Although the GOB has conducted further studies on definition of poverty, publicly and privately, government leaders often cite these rural and urban poverty datum lines to define the poor.

The RIDS study estimates that 60-70 percent of the country's urban households had incomes below an urban poverty datum line of \$1,735, and 45 percent of the rural households had incomes below the rural absolute poverty datum line (\$869). A conservative estimate would be that 50-55 percent of the total population is below these lines, receiving less than 17 percent of the national income.^{1/} While Botswana holds relatively high per capita income (see page 4), it does not accurately reflect the disparity of income throughout the country.

Although RIDS established different levels of poverty for rural and urban areas, rural-urban definitions tend to oversimplify what is actually occurring within the country. Many of the residential units found in villages or land areas at any one time are actually partial households, with certain members dispersed to other sites.^{2/} Patterns of shifting residence and circular migration reflect subsistence strategies adopted for purposes of economic and social support and, in some cases, survival. Because few households can rely exclusively on one resource (e.g., arable farming or cattle), most spread their risks and calculate marginal productivity in terms of labor input and qualifications of members to exploit different resource areas.

The most densely populated region of Botswana is the relatively fertile Eastern corridor of the country where 80 percent of the population lives within 50 miles of the rail line. Since 85 percent of total population resides in rural areas, the majority of the poor can be found within this geographic region. However,

^{1/}Rural Income Distribution Survey. Central Statistics Office, 1975.

^{2/}In Botswana, the household consists of 3 residences -- cattle posts, lands, and village; depending upon the time of the year, various household members reside at one or another of these houses.

there are some exceptions, for example the many groups of Basarwa (Bushmen) who live in the Western districts, comprising 7 percent of population in 1979, and freehold farm employees in the Ghanzi District.^{1/}

Many urban workers bring part of income in cash or kind back to rural villages. Often their children remain in the village, cared for by the grandparents. Workers come to town or go to South African mines to get cash to go back to the village to buy cattle, pay school fees, buy grain for beer, or tractor hire. These patterns/trends may well change in the future, but given few viable options to generate sufficient income in rural areas, families will continue to minimize risks by having members exploit different resource areas.

1. Rural Poverty

While the overwhelming majority of the poor are found in rural areas, RIDS found wide income disparities among rural households. The poorest 10 percent had an annual income less than \$294, and richest 10 percent had over \$2,638 in income. The most glaring difference related to livestock ownership. Fifty percent of the national herd was owned by 5 percent of the households that had herds of more than 50 animals; 45 percent of the households owned no cattle; and another 15 percent owned seven or less.^{2/}

Since publication of RIDS data, other measures have been used to indicate poverty beyond datum lines. For this reason, USAID/B identifies rural poor as 45 percent of rural households below poverty datum line who cultivate less than four hectares of land and own fewer than eight head of cattle.^{3/}

This group is characterized as: heavily dependent on outside sources of draught power, employing no outside labor, producing 1,000 kg of food grown on four hectares compared to minimum household needs of 1,500 kg, and often lacking male labor.

^{1/}Wiley, Liz. National Institute of Development and Cultural Research, Working Paper No. 23, July 1979. (No figures for freehold farm employees are available.)

^{2/}Rural Income Distribution Survey, Central Statistics Office, 1975, p.11.

^{3/}Most rural households receive some income from livestock through the mafisa system by which owners place some of their livestock in care of others. The herder is generally allowed to keep the first calf, has the right to the milk produced, the meat from carcasses, and often the right to use cattle as draught animals.

2. Sources of Income

Another way of characterizing the rural poor is by source of income. The following table shows the most important sources of income for rural households at the lower income levels:

	<u>Households Categorized^{1/} by Per Capita Income</u>	
	<u>Bottom 10 Percent</u>	<u>Bottom 15 to 50 percent</u>
Household Income (1974/75)	P161.40 (\$203.36)	P430.00 (\$541.80)
Percentage breakdown:		
Crops	6%	9%
Livestock	5%	7%
Employment	15%	36%
Gathering	18%	8%
Migrant labor and transfers	21%	14%
Other (mfg, service, in kind)	35%	26%

In effect, the poor majority in rural areas are: considerably below subsistence level of food producers -- dependent upon employment, gathering and migrant labor earnings for much of their income; most susceptible to severe hardship during periods of food scarcity; and most often deprived of male labor for farm work.

Although Botswana has often been described as a cattle economy, the poor do not have herds large enough to manage their sales as truly commercial producers. Employment is one of the more important sources of income. This is often informal, casually arranged work on nearby farms, in stores, or on construction jobs. Risks are spread across several income sources to take advantage of free lands for crops and grazing, casual employment opportunities, high-wage mine employment for young men in South Africa and the urban areas (40 percent of men of productive age are away from the village), and basic village functions such as beer-brewing and basket weaving.

^{1/}RIDS, pp. 97-98.

Migration has become a way of life for rural men and it provides many of the men with their only opportunity to earn cash necessary to purchase cattle and make other agricultural investments. An estimated 40 percent of Botswana men in the 20-34 age bracket are absentee migrants. It has been remarked that the de facto population age-sex pyramid has "the truncated look of a war-ravaged nation," with only 61 men per 100 women in the 25-29 age bracket. Mine labor was estimated at 23,000 in 1978, down from 40,400 in 1976. There are no statistics on non-mine employment, but it is estimated that there are between 25,000-37,000 other Batswana working in South Africa, a large proportion of them as domestics.

Although crop production does not rival wage employment and migrant labor, 75 percent of all rural families do plant in an average year. Farmers cultivate the "lands" which are fields usually within 10-15 kilometers of their village homes, and live at the "lands" during much of the cropping season. Income from crop production is hampered by low yields/acre, drought and lack of price incentives. Time of planting and access to draught power are critical factors in obtaining a decent harvest. Approximately 62 percent of farmers with some livestock need to borrow or rent additional cattle in order to plow, and 40 percent own no cattle at all.

Hunting and gathering are more important economic activities for the poorest people than farming. Apart from supplying the thatch, poles and reeds for traditional housing, and the firewood that all rural people and most of the urban poor use for cooking, "gathering" entails much other productive work aimed both at meeting subsistence needs and generating cash incomes.

Rural people eat and exchange with each other and sell to townspeople about 100 varieties of fresh and dried wild fruits and vegetables. These include tubers, roots, grains, fungi, pulses, vines, nuts, berries, melons and edible gums. Some wild products are used to manufacture oils, stimulants, intoxicants and beverages. Others serve for making baskets and jewelry; many plants have valuable uses in traditional and modern drugs and medicines. Non-vegetable "gathered" items include clay for potmaking, exports of moths

and butterflies to collectors; honey; dried mophane caterpillars, which are considered a delicacy throughout Southern Africa; and semi-precious agate stones, gathered in the Bobonong area, with an estimated annual export value of P100,000.

3. Dietary Status

In normal years, the daily diet of the poor is adequate in the rainy season (November-April) because of the availability of wild foods and field crops and the higher demand of the richer farmers for cattle herding and crop production. The standard of living for both humans and livestock normally declines throughout the dry season. By September, the dietary status of those without cash reserves is very low. The incidence of stock theft and illegal hunting also increases toward the end of every dry season.

The dietary status of the rural poor is precarious at the end of every dry season, but if the rains fail (and even in good years some areas are unlucky), their condition rapidly becomes insupportable. In July 1978, a drought year, 30 percent of the pre-school population was reported to be "at risk." Nutritional monitoring has been part of the drought relief early-warning system since 1978: when the weight of children under 5 in any area falls below the danger level, emergency feeding measures begin. In July 1979, protein-energy malnutrition was estimated to be 19 percent in some rural areas; and at the end of 1979, about 50,000 adults were eligible to receive emergency food supplements. Both the system for identifying the needy and that for getting the food to them become progressively less efficient as they extend to the smaller and remoter settlements. "Vulnerable group" feeding schemes have been operated continuously since the early 1970's. They run independently of emergency conditions, although they have the same constraints on their outreach to the remoter areas as the other programs, supplying dietary supplements for most primary school children, pregnant and nursing women, pre-school children, and TB out-patients.

4. Health Indicators

The national average life expectancy at birth is 56 years. The lives of the poor are shorter, probably under 50 years. The national infant mortality rate is low by African standards, at 97 deaths per 1,000 births, but more

poor babies die; their mortality rate is probably in excess of 12⁵ per 1,000 births. The crude birth rate from the 1971 census is 44.5 per 1,000 and the death rate is 13.7, giving a national rate of natural increase of 3.1 percent per annum. Total fertility is about 6.5 births per woman. Natural child spacing has resulted from the custom that a woman should not conceive until her last child has been weaned at about 18 months. Family planning services are integrated with the maternal and child health services within the overall health care program.^{1/} In the geographic sense, the poor have access to the extensive and high-cost network of rural and mobile clinics and health posts built with Norwegian aid since 1973. Eighty-five percent of rural and all urban people reportedly live within 15 kms of a health facility. However, quantity and quality of health staff diminish with the size and remoteness of the settlement; moreover, few rural clinics have access to doctors, a variety of medicines, or modern diagnostic and treatment methods.

5. Rural Water

In the rural areas, water supplies are more contaminated and less reliable, often consisting of ephemeral hand-dug wells; where boreholes exist, mechanical breakdowns take longer to repair.

About 40 percent of the population does have access to piped water; however, in some rural areas, pollution occurs in many borehole and groundwater supplies. Lack of sanitary facilities in rural areas and limited health education are partially responsible for this water contamination.

The GOB, with USAID assistance, is undertaking a pilot sanitation project in two districts aimed at motivating rural population in accepting new methods of environmental sanitation (protection of water supplies and sanitary methods of disposing of human waste). It is hoped that these pilot activities will result in a nationwide sanitation program.

6. Education

In 1974/75, almost 68 percent of rural heads of households had no education. The incidence of poverty in Botswana is highest among those with the least education. But the smallest numbers of qualified teachers, the highest pupil/trained teacher ratios, and the lowest ratios of physical equipment, were all found in 1976 in those small villages which had schools (and

^{1/} See backup paper "Botswana - Population Analysis."

many do not). The opposite situation pertained in the towns. Not surprisingly, 42 percent of urban children obtained primary leaving grades qualifying them for entry to secondary schools, against only 26 percent from the small villages with schools (and nil from the small villages without schools). Urban children, whether or not they are poor, clearly have a better chance of getting well-paid jobs in the future than do their rural counterparts. Under both traditional cattlepost and modern ranching conditions, most cattle are kept around boreholes in areas remote from any school. The system makes heavy demands on male child labor from the poorest households. One result is that in Botswana more female children obtain primary education than do males.

7. Urban Poverty

Little detailed information is available concerning the 60-70 percent of Botswana's urban population below the urban poverty line. Many of the poor are probably recent migrants who from 1971-75 moved to urban areas at a rate of 12 percent -- one of the world's highest sustained rates of urbanization. Rural-urban migration is largely attributable to rural poverty and the expectation of more lucrative employment in the towns. Much of the initial post-Independence migration was to the new capital of Gaborone (population estimated at 50,000 in 1979) and two new mining towns at Selebi-Pikwe (20,572 in 1975) and Orapa-Letlakane (2,000 in 1975). Employment generation in the urban areas has not kept up with migration. Formal sector employment is projected to grow at only 6 percent per annum between 1976/77 to 1980/81, by which time 19 percent of the labor force will be employed in the formal sector. The central government is the largest formal sector employer (30 percent of employees). The second largest group comprises domestic servants (15 percent) who are often unmarried female heads of households. Self-employment is conservatively estimated to constitute more than 10 percent of employment in Botswana but is less pervasive than in many African countries with longer urban histories. Unemployment rates for the urban areas of Gaborone, Francistown and Selebi-Pikwe range from 15-18 percent for males and 35-48 percent for females.^{1/} Unemployment rates are, of course, closely linked

^{1/}A Social and Economic Survey in Three Peri-Urban Areas in Botswana, Gaborone, Ministry of Finance and Development Planning, 1974. p 42.

to economic fluctuations and one can imagine that recent rates have been higher in Francistown due to the Rhodesian conflict and in Lobatse where the prime employer, the Botswana Meat Commission (BMC) often has been operating at less than full capacity due to the foot and mouth disease epidemic.

Many urban poor live in squatter housing in Gaborone (27 percent of the town's population), Lobatse (23 percent), Francistown (60 percent) and Selebi-Pikwe (40 percent). Squatter areas were poorly serviced in the past. For example, Gaborone's major squatter area, Old Naledi, has population estimated as high as 20,000+. The GOB has recently (1974) decided that government inaction in urban areas would not discourage the rural exodus and is now legitimizing existing squatter areas via squatter upgrading and relocation programs, with donor assistance from USAID, CIDA and IBRD. Town Councils are also responsible for planning and servicing new site-and-service plots in Gaborone, Francistown, Selebi-Pikwe and Lobatse. Although government policy is oriented towards rural development and preventing a widening of the gap between urban and rural living standards, urban growth is likely to continue at a high rate and would be accelerated by any major reduction in the employment of Botswana in the mines of South Africa as is forecast.

Urban poverty is reflected in low wage/income levels and high costs of living. Inflationary pressures on basic food items affect the urban populace, which grows little of its food needs, more than rural groups. For example, food prices increased 24 percent in 1977 due mainly to the removal of the South African subsidy on maize meal, the basic staple of Botswana's urban poor, and the cost of living for low-income urban households jumped 18 percent.

8. Sub-groups

Some groupings of rural people in Botswana are especially poor. These groups, which sometimes overlap, include ~~freehold-farm~~ and cattle post employees, female-headed households, and Basarwa.

Freehold Farm and Cattle Post Employees

Although no accurate data are available on number of employees working on freehold farms and cattle posts, RIDS estimates the median income in cash and kind of freehold farm employees' households at \$589. The wage level of cattle post employees is lower than on the freehold farms and the line between employment, dependency relationships, and bondage, particularly for Basarwa herdsmen, is a very thin one. The cattle post system makes liberal use of male child labor, sometimes the children of the cattle owner, more often those of his "dependents." Recent documents indicate an irregularly-paid median cash wage of less than P8 per month among 225 Western Kalahari cattle post workers, with about half also receiving food and other goods at irregular intervals.^{1/}

Female-Headed Households

About 24 percent of all households are female-headed since men often work for years in South African mines or in urban centers in Botswana. Many of these women do not have legalized partnership arrangements with absent men, or sometimes have rejected the option of marriage. Nevertheless, most have families to support -- 80 percent of unmarried women under 25 have at least one child.^{2/} Households headed by single women are generally worse off economically than those headed by men. Seventy-five percent of female-headed households have no cattle, as compared with 33 percent of male-headed households. As a result of lack of male labor and draught power, women raise few crops and those that do tend to have smaller fields than male-headed households.

Basarwa (Bushmen)

The Basarwa comprise a loosely-knit ethnic grouping of 50,000^{3/} hunters and gatherers -- known commonly as the Bushmen -- who have to some extent resisted sedentarization and modernization. The Basarwa have traditionally lived in the Kalahari Desert and along the Okavango River and, owning no

^{1/}Hitchcock in "Kalahari Cattle Posts," October 1978.

^{2/}Cooper, David. "Rural-Urban Migration and Female Headed Households in Botswana," National Migration Study, 1979.

^{3/}Wiley. National Institute of Development and Cultural Research, July 1979. pp 1-3.

livestock, have survived by gathering wild foods and hunting game with primitive weapons. In recent years, increasing numbers of Basarwa and mixed Basarwa-Bakhalaghadi families have settled, at least seasonally, around boreholes. As mentioned in previous sub-groups, Basarwa often work as manual laborers and since they remain unprotected against labor abuse, remain the single poorest group in Botswana.

B. Causes of Poverty

Previous sections describing the poor and economy have exposed many of the causes of Botswana's poverty. However, the primary cause is the maldistribution of assets and opportunity in a country that has limited resources. This can be analyzed under three categories: (1) natural resources and access to land, (2) education and productive employment, and (3) lack of productive resources.

1. Natural Resources

Water is the major development parameter in Botswana and rainfall patterns have been the principle determinant of human settlement and land use. As a result, the majority of population resides in the Eastern corridor of the country where savanna grasses and better soils are suitable for livestock and arable farming. The semi-arid nature of Botswana makes agriculture a risky endeavor. Only 2.3 percent of land area is thought suitable for arable agriculture. Many of the poor plow in good years, but few plant more than three hectares.

~~Water is a scarce resource.~~ Although it may be technically feasible to increase arable farming in the heavily populated areas by making use of the Okavango water system, the expense of such an effort remains beyond reach of Botswana's economy and the ecologic implications are not known. Subsistence crops account for great proportions of arable agriculture; however, sparse rainfall also means that the harvests are extremely vulnerable to climatic fluctuations. The rainfall factor alone accounts for total crop failure in most areas at least one year out of five, and partial failure at least one other year.

Access to water has also had a significant effect on livestock and the traditional cattle post system. With the introduction of borehole technology, seasonal movement of people and cattle has become less frequent.

Increasing herd size has put extreme pressures on the land, and boreholes are being drilled on consistently more marginal areas as owners seek additional grazing. In almost all livestock areas, there is visible degradation around boreholes, brush encroachment and the replacement of perennial grasses by less nutritious annuals.

Increased dependence on boreholes, however, has resulted in de facto control of communal tribal land by those who could afford to drill, equip, and operate the wells. Usually, the only restrictions the local chief imposed upon drilling was that sites be no closer than 8 km from one another. Those with small herds, unable to afford their own boreholes, often made arrangements with borehole owners to buy water either for cash or in exchange for food, supplies, or services such as herding. In addition, impoverished tribesmen or Basarwa frequenting an area were seldom denied domestic water. Nevertheless, the fact remains that one could gain control of approximately 6400 hectares (64 km²) of communal grazing land merely for the price of a single borehole.^{1/}

2. Access to Land

During the late 1970's, the GOB initiated the Tribal Grazing Land Policy (TGLP) with the purposes of (1) grazing control, better range management and increased productivity in communal areas; and (2) safeguard the interests of those who own only a few cattle ... to have as much land as needed to graze cattle and grow food for their family. Customary tenure is now in the process of being converted into state registered tenure with the development of land boards. Approximately 10-12 percent of the total area of Botswana is zoned commercial.^{2/}

The TGLP facilitates acquisition of secure leasehold titles of communal land by large cattle owners. "Groups" of smaller cattle owners are also eligible for ranches, but group formation of small holders has met with mixed success. Increasingly fenced commercial ranches are gaining access and rights to disproportionate amount of land. The establishment of commercial ranches and the granting of exclusive leaseholder rights has radical

^{1/}Odeh, M. "Pastoralism and Planning in a Semi-Arid Environment." 1979

^{2/}Standford, Steven. "Keeping an Eye on TGLP." September 1979 (preliminary draft).

implications for those who traditionally used this land, many of whom own no livestock. The latter may have to vacate the land and find new livelihoods elsewhere, because their traditional rights have been superseded. A new component of the TGLP is to provide lands and facilities for displaced persons. Adjudication and compensation procedures, while being established, may not adequately protect these people.

Although the GOB has not yet set policy for arable lands development, the same problems that have accrued with TGLP may continue. To date, poor rural households have access but unregistered title to arable land. Although there is arable land that is not under cultivation due to lack of rainfall, draught power, manpower and productive inputs, land improvement could be constrained over the long term if title is not sufficiently secured.

3. Employment

Lack of qualified workers and employment opportunities are some of the overriding causes of poverty in Botswana. This trained personnel constraint is due largely to historical factors. It was assumed in the late 1940's that Botswana, then the Bechuanaland Protectorate, would eventually become an integral part of the Union of South Africa, thus the British Government spent little to train Batswana to run a sovereign nation and an expanding economy. Prior to Independence, only about 25 percent of the population was literate; only 43 percent and 2.6 percent of children were enrolled in primary and secondary schools, respectively; and only 35 Batswana living in Bechuanaland had B.A. degrees. Botswana has made excellent progress in increasing the quantity of education available since Independence. By 1977, 145,500 of primary-aged children were enrolled; 15,000 students were in secondary schools, and about 800 Batswana were in university training. Nevertheless, expatriates still filled 80 percent of jobs requiring post-secondary education, 50 percent of those requiring secondary education, and 20 percent of those requiring junior-high education.

The size of the civil service has expanded since 1966. Total public service employment expanded from 10,200 in 1972 to 18,750 in 1977, an increase of 81 percent in five years, while formal employment in all other sectors of the economy increased during the same period by 41 percent from 30,000 to 43,950.

The GOB has become increasingly aware of the lack of opportunities for productive employment for the population. In order to meet the needs of an expanded labor force (while absorbing those who are currently without productive work), it is estimated that 35,000 to 36,000 new jobs would have to be created each year to attain full employment by 1988.^{1/}

Since the majority of the poor have the least education, the possibilities of gaining productive employment is limited. To address this problem, the GOB has begun to emphasize expanding the rural productive base while maximizing employment opportunities. These opportunities to strengthen employment in rural areas depend in part on commitment of resource allocation. AID/B will support GOB's capacity to invest in and develop rural areas in order to ~~increase small-scale productive employment~~ so rural poor may have the chance to ~~increase subsistence and income~~.

4. Productive Resources

If the poor residing primarily within rural areas are to increase household income, availability and efficient use of inputs, price protection as well as off-farm employment must be increased. Agricultural productivity is hampered by unfavorable rainfall conditions, lack of agricultural packages, trained extension services, workers and draught power. Rural employment opportunities are limited. The rural poor have not been able to obtain credit and disbursement of agricultural loans have required some form of collateral which most poor cannot provide. To date, no incentives exist for the rural farmer to increase productivity. A farmer can achieve about the same gross income from selling one ox per year as he can from farming nearly 4 hectares of sorghum or 9 hectares of maize. Furthermore, there is no price protection from South African grain producers who can sell to Batswana at substantially lower prices than it costs to produce in their country.

In a recent survey of rural households living below poverty datum lines, the Ministry of Agriculture (MOA) found five important factors affecting income and production of the sample population: (1) 24 percent of the rural households are headed by women who have less access to labor and

^{1/}Lipton, Michael. "Employment and Labor Use in Botswana." 2 Vols. MFDP. Dec. 1978. (Full employment is not an achievable objective in any economy, and 17-18,000 new jobs annually over the next 10 years would constitute an astounding measure of success for the GOB.)

draught power, have less land, and less likely to settle at the lands; (2) only 38 percent of those with arable land permanently live at the lands, primarily because of lack of water; (3) only 8 percent used either commercial fertilizer or manure, and only 3 percent used an insecticide; (4) 43 percent have no ready access to draught power; (5) 66 percent have received no advice from their agricultural extension agent, and 40 percent did not even know him. When those who were plowing were asked to rank the constraints to production, first was crop damage by birds and pests, second, the shortage of draught power and implements, and last the shortage of cash and labor. For those having land but not plowing when the study was conducted, the possibility of shortage of land was said to be the primary constraint, followed by the shortage of draught power, and then bird pest damage and cash shortages.^{1/}

IV. PROGRESS AND COMMITMENT OF HOST COUNTRY TO DATE

A. Development Policy and Plans Since Independence

The long-term goals as enunciated in NDP-V and earlier planning documents were (1) rapid economic growth, (2) social justice, (3) economic independence, and (4) sustained development. The government's principle means of achieving these goals is to re-invest the returns from mining and other modern sector production activities (livestock and tourism) towards the provision of basic government services and the promotion of productive economic activities in rural areas.

The GOB is now completing its Fifth National Development Plan (NDP-V). Discussions with GOB officials have indicated a shift in emphasis from provision of social services to productive sources of employment. The first four NDP's covered planning periods beginning in 1968, 1970, 1973, and 1976. The first two plans, covering what were later to be seen as boom years, were models of careful planning and accurate forecasting which obtained for Botswana a deserved good reputation among donor agencies.

Although the signs that manpower and capacity constraints were slowing down, the rate of growth was visible by the time NDP-IV for 1976-81 was drawn up

^{1/}Odeh, M. "Sample Survey of ALDEP Rural Households." MOA. 1978.

and high expenditure targets were adopted. Domestic Formal Sector employment grew by 30 percent between 1972-75 but from a small base, and opportunities for increased equity via growing formal sector employment are still quite limited. The government estimates that only 81,000 Batswana will have regular paid jobs in the modern sector by 1981.

1. Social Performance Trends

Although income distribution has not improved since Independence, the government has made admirable strides in increasing citizen access to basic social services. Stated GOB objectives in this regard are:

- All Batswana wherever they live and whatever their social background should have equal access to services that the government provides, such as education, health care, and clean water supplies. These services should be comparable in quality for all citizens.
- Government efforts to stimulate economic activity whether by provision of infrastructure, by extension work, by manipulation of markets, etc., should be biased towards poorer groups and regions.
- People should be consulted and informed about the major proposals that affect them.

Although only limited information is available to indicate social performance trends in Botswana, progress is evident as demonstrated by the following:

2. Education

- Primary school enrollments have increased by 74 percent since Independence. Eighty percent of the relevant age group were in school in 1978 vs 43.8 percent in 1965.
- Secondary school enrollment has increased five-fold to 15,000 since Independence. Thirteen percent of the relevant age group were in school in 1978 vs 2.67 percent in 1965.
- About 800 Batswana were enrolled in universities in 1977.

- The pupil/teacher ratio has marginally improved since 1973 although the number of untrained teachers has increased.

3. Health

- Seventy new clinics and 177 new health posts have been constructed since Independence and 78 percent of the total population now lives within 15 kilometers of a health facility.
- Government has made significant progress towards the goals of providing safe water to all major villages by 1978/79; to all villages with population of more than 500 by 1980/81; and to all villages in Botswana by 1985/86, although these targets will not be achieved on schedule.

B. Differential Effects on Selected Groups

Until a second comprehensive Rural Income Distribution Survey (RIDS) is carried out, it will be extremely difficult to measure the degree of improvement in economic and social welfare among groups of Botswana. However, the government has taken some steps to improve the standards of living of the rural and urban poor in Botswana and has in some cases initiated special programs to assist those groups who are especially poor.

1. The Rural Poor

As discussed above, government development strategy in NDP-IV focused on the provision of rural infrastructure and social services. Towards the end of 1973, the government launched an all-out effort to overcome bottlenecks in the provision of physical assets in the rural areas. This Accelerated Rural Development Program (ARDP) which continued through 1976, combined projects from various ministries to speed implementation and allowed District Councils increased authority for project management and implementation. The results of the ARDP are enumerated in the following table. The relative success of the ARDP had encouraged the central government to place greater emphasis on decentralized project design and implementation and to increase transfer of funds to District Councils through revenue-sharing grants.

ACCELERATED RURAL DEVELOPMENT PROGRAM
(Achievement)

	ARDP Units Provided 1974/75-1975/76	Pre-ARDP Units Provided 1972/73-1973/74
Primary school classrooms	489	44
Teachers' houses	425	68
Primary school stores	80	-
Health posts	42	-
Clinics	21	2
Maternity Wards	8	-
Nurse' houses	30	-
Council and government staff houses	178	17
Village water supplies	31	11
Boreholes	190	57 (approx)
Dams	30	12
Livestock salesyards	6	-
Rural roads	133 km	30 km
Major village roads	76 km	0 km

SOURCE: Rural Development Unit, Ministry of Finance and Development
Planning

This process of decentralization was based on the Land Use Section of the District Development Plan (DDP) -- a strategic document for all rural development planning to be carried out in a district. Its scope is comprehensive and includes those functions and activities that are the responsibility of District Councils, Land Boards, and the Central Government. Its prime functions are to define goals and strategies pertinent to that particular district and to form the basis for coordinated development across sectors and executive responsibilities. DDP's are prepared by district staff and coordinated through the District Development Committee (DDC), with District Council approval being given to the final plan. Through consultation with residents, assessment of local problems, resources and potential, the local political inputs, district planners attempt to create a plan that is relevant and sensitive to local needs and circumstances.

The relationship between the DDP and national planning is significant. The DDP has two phases: phase 1 covers the period of an existing National Development Plan and sets out the detailed implementation for that period; phase 2 extends beyond the current NDP and puts forward priorities and programs that a

district wishes to see in the next NDP. Thus district planning has a direct input into the allocation of national resources, which remains the prerogative of the Ministry of Finance and Development Planning (MFDP).

2. The Basarwa

In 1975 the government launched a comprehensive Remote Area Development Program which surveyed this group's situation, educational aspects, handicraft and marketing development and assistance for settlement schemes including provision of water and agricultural development. However, the level of effort has been limited, and progress in defining an effective long-term strategy for assisting the Basarwa has been minimal.

3. Rural Female Heads of Household^{1/}

No separate government program has been devised to deal with the problems of this especially poor group. However, since most of these women depend to some degree on crop production, the government's new Arable Lands program could well be a vehicle to assist this group.

4. Wage Laborers on Freehold Farms, Ranches and Cattle Posts

No program to address the needs of this especially poor group of Botswana has been initiated. Efforts to assist them should probably focus initially on increased government capacity to enforce labor legislation in the freehold farm blocks and to improve the access of wage laborers in these areas to basic social services.

5. Urban Poor

Efforts to improve the lot of Botswana's urban poor have centered on the provision of basic shelter needs through sites and services and slum improvement programs. Supplementary actions include the construction of schools, clinics and community centers where the urban poor live and, of course, efforts to increase both formal and informal employment opportunities.

C. Host Country Development Plans

Botswana now prepares 6-year development plans which are revised every three years. The plans are developed by a planning office within the Ministry of Finance and Development Planning under the direction of the Vice President, who

^{1/} See backup paper "Women in Botswana."

is also Minister of Finance. Aside from defining basic government development objectives, the plans indicate ceilings for current expenditures and sectoral targets for development expenditures. The plans also provide an unusually definitive description of proposed public sector investment projects including project phasing and financing.

Although the country's Fifth National Development Plan is not finalized, draft chapters indicate commitment to stated objectives will be reflected in part through budgetary allocations. The government has clearly made good on its promise to utilize increasingly the proceeds from the production sectors to finance basic social and physical infrastructure. As a percentage of total recurrent expenditures, social service outlays have risen from 11 percent in 1970-71 to 27 percent in 1977-78. General administrative costs as a portion of the recurrent budget have fallen from 43 percent to 33 percent during the same period and economic services have been reduced from 38 percent to 30 percent.

Botswana seems to have obtained resources to finance its programs in all key sectors of its plan but may have increasing difficulty in obtaining funds in the future for basic infrastructure programs (transport, telecommunications, power) due to the increasing preoccupation of all major donors with basic human needs strategies.

1. Absorptive Capacity

GOB absorptive capacity has been limited in certain sectors, especially agriculture where only 60 percent anticipated expenditure occurred during 1976-78, less by the absence of good projects than by the shortage of trained personnel to implement programs in the rural sector.^{1/} A more recent constraint to resource utilization -- Botswana's small construction industry -- has become apparent since the creation of Botswana Defense Force with its attendant need for physical facilities. The GOB has carefully monitored the projected recurrent budget requirements for proposed new development projects and has sometimes turned down or scaled down new donor projects due to their recurrent budget implications. Increased donor

^{1/}The AID-financed Botswana Agricultural College expansion project will assist the GOB in alleviating this problem.

assistance in human resources training and strengthening the domestic construction industry will tend to alleviate to some degree the absorptive capacity limitations noted above.

D. Role of Foreign Assistance in Development

1. Donor Assistance

Since Independence when it was totally dependent on donor largess, Botswana has made substantial progress in financing increasing proportions of its development budget requirements from domestic resources. Government revenues in excess of recurrent budget requirements are placed in Domestic Development Fund (DDF). The DDF will grow from \$9.3 million in 1976 to a projected \$29 million in 1980, and approximately one-third of fourth plan development expenditures will have come from domestic resources with the remaining requirements (approximately \$175 million during 1976-80) obtained from donors. Botswana has had little difficulty to date in obtaining necessary external assistance due to its reputation for quality planning and efficient management of aid funds. From 1969-75, \$276 million was provided by DAC countries and \$73 million from multilateral agencies. Approximately 60 percent of this assistance has been in grant form, although the terms of donor assistance are gradually hardening in light of the country's improved economic status.

Gross external capital requirements (including private sector mining investments) increased from an average of \$60 million during 1974-76 to \$90 million between 1977-81, of which approximately 45 percent is anticipated to be net private investment.

In 1979-85 the GOB is planning P334 million of capital development expenditure. It hopes to obtain two-thirds of this sum (say P36 million a year) from donors. Donor assistance to date has been almost exclusively provided by a large number of Western sources. Assistance from OPEC and Eastern Bloc sources have been negligible. With a poliferation of willing donors and the availability of substantial donor resources, the GOB has been able to channel donors towards sectors and projects based on GOB rather than donor initiatives.

2. Donor Coordination

Although no formal coordinating mechanism for donor assistance exists for Botswana, representatives of donor agencies meet on about a monthly basis to discuss new developments in their respective portfolios. Also, the UNDP publishes an annual compendium of donor assistance to Botswana. There appears to be little apparent need for the creation of any more formal donor coordinating mechanism except in relation to possible project-specific multi-donor efforts (e.g., the railroad, development of the Okavango, etc.), and possibly if some sub-regional cooperative mechanism is started.

3. Other Donor Assistance

In addition to multilateral assistance (IBRD, UNDP and UN Specialized Agencies, EEC, AFDB, UNHCR), Botswana is currently receiving assistance from nine countries. The major donors during CY 1979, in descending order of magnitude, were U.K., F.R.G., Sweden and the U.S., as these were the donors involved in capital projects. The major presence in terms of technical assistance personnel was the U.K., with more than 500 persons (mostly OSAS, i.e., U.K. tops off local salaries), followed by the U.S. with 162 (of which 108 were PCV's). Netherlands, Denmark, Norway, Sweden, Canada and Germany had large representations, mostly contractual and volunteer, averaging 55, of which the volunteers represented the major proportion. China has a small irrigated rice project with four technical assistance persons.

To understand other donor activity in Botswana, it is important to observe the difference in operational activities between the U.S. and the other multilateral and bilateral donors. Whereas the technical assistance and capital activities of USAID are closely interwoven, thus USAID projects are clearly identifiable activities, the other donors separate their technical assistance from their capital activities. Their TA personnel - volunteers or contractual - are assigned against specific personnel positions established within the GOB and while in Botswana, they are considered employees of the GOB even though in fact a part/all of their salaries are paid by their own governments; their TA services are not linked to capital

TABLE I

SUMMARY - OTHER DONOR ASSISTANCE
(\$ million)

	1977	1978	1979
A. <u>Multilateral</u>			
Regional Banks (IBRD and AFDB) total loans to date			
IBRD 1964-1978, 127.8 m.			
AFDB 1978, 1.6 m.			
UNDP and UN System	5.3	9.4	7.7
UNICEF (1978-1980)*	-	.1	.2
UNHCR	N.A.	8.1	6.1
EEC (1976-1979) Total \$28.98 m.*	7.3	7.3	7.3
EED Regional projects - Botswana, Lesotho and Swaziland, total \$20.4 m.	(6.8)	(6.8)	(6.8)
Total multilateral	12.6	24.9	21.3
B. <u>Bilateral</u>			
Canada	2.5	2.5	2.6
China	N.A.	N.A.	N.A.
Denmark	4.7	3.0	3.0
Germany	N.A.	15.5	15.3
Netherlands (1978-82 DF ¹ . 10.7 m.)*	4.2	4.2	4.2
Norway	7.0	7.0	7.0
Sweden	9.3	14.5	12.7
U.K. - capital assistance	9.4	9.4	9.4
Technical assistance	6.5	6.5	6.5
U.S.A. (USAID, only).	10.0	13.4	12.3
Total Bilateral	53.6	76.0	74.2

* Prorated

Jointly prepared by USAID and British High Commission ODA Section from
information provided by donors.

ADVISORS/EXPERTS/TECHNICIANS IN BOTSWANA

Ending Calendar Year 1979

Source: UNDP Report of Other Donors, and information supplied by donors

	Direct Hire	Contract	OPEX * OSAS	Vol
United States				
U.S. AID - - - - -	12			
U.S. Dept. of Agriculture - -		14		
South Dakota State University		4		
OPEX - - - - -			12	
Private Voluntary Organizations				
Afr. Am. Labor Center - - -		1		
Foundation for Coop. Housing		1		
Partners for Production		1		
Peace Corps - - - - -				108
IVS - INC - - - - -				9
United Kingdom				
Technical Coop. Office	35			
OSAS - - - - -			600**	
IUS - U.K. - - - - -				22
Netherlands - - - - -		24		21
Denmark - DANIDA - - - - -		33		25
Norway - NORAD - - - - -		33		35
Sweden - SIDA - - - - -	29			14
China - - - - -	4			
Canada - CUSO - - - - -				72
Germany - - - - -		16	3	57
MCC - - - - -				14
ONC - - - - -				13
UN and Special Agencies				
UNDP - - - - -	5		1	
FAO - - - - -		16	3	
ILO - - - - -		10		
UNCTAD - - - - -		1		
WHO - - - - -	2	4		
UNIDO - - - - -		2		
ITC - - - - -	1			
WMO - - - - -	1			
ICAO - - - - -		5		
WFP - - - - -	2			
UNESCO - - - - -		1	1	
UNDP - - - - -		3		
WMO - - - - -		1		
ITU - - - - -		1		
International Monetary Fund - - -		3		

* GOB contracts with donor "topping off"

**Authorized - about 450 in place

construction activities. For example, while Norway participated heavily in the cost of construction of rural clinics, and Sweden in the construction of primary schools, neither of those projects had specific matching programs to improve the quality of health services or the content of the primary school teaching program.

One of the strengths of the USAID program, therefore, has been the integration of U.S. inputs to specific activities, with both TA and capital activities as specific goals, which has not been the case with most of the other donors.

PART II - STRATEGY

Botswana is entering the second phase of a sharp expansion of national income based on export earnings which come largely from exploitation of mineral deposits and, to a lesser extent, from beef for the European Community. Unfortunately, the mining sector is capital intensive, and the export beef industry directly benefits only a few large agents and ranchers. The GOB is faced with a major effort to bring the benefits of relatively large earnings from mining, livestock, custom revenues and income taxation to the overwhelming majority of the population who are subsistence farmers/herders or, increasingly, urban poor job-seekers. Over the period of the first four National Development Plans (1966-1979), generally successful major efforts have been devoted to improving social services and basic infrastructure. Now most villagers have access to primary schools, health centers, a fair primary transport network, and domestic water supplies. However, the government now realizes that it must tackle the more difficult undertakings to stimulate productive employment and income generation, particularly in the rural areas. With a dearth of trained technical personnel, inadequate teacher supply in math and science, a semi-arid climate with drought an ever-present threat, and a geopolitical location that mitigates against virtually all opportunity-cost advantages for manufacturing and services industry, the Fifth National Development Plan (NDP-V) naturally turns toward foreign assistance to help achieve its stated objectives of:

- rapid economic growth
- social justice
- economic independence
- sustained development.

Botswana believes it must maintain a high level of foreign-exchange reserves because it is cognizant of its extreme economic and political vulnerability in the center of strife-torn Southern Africa, with an open economy subject to fluctuations in international prices and demand for its exports. The GOB is not optimistic about stability in Zimbabwe-Rhodesia resulting from the upcoming February elections; there is still no conclusion in sight for establishment of a free Namibia compatible with Botswana's free and open economy and society; and the shadow of the mammoth South African economy and armed forces falls darkly over all plans for greater flexibility in Botswana's economic and political independence.

Due to these factors, Botswana has been forced to allocate a growing portion of its limited manpower and budget resources to:

1. Establish an army to protect against border incursions from neighboring countries.
2. Settle and support over 20,000 refugees from Rhodesia and South Africa.
3. Begin efforts to reduce its economic vulnerability by building an international airport, purchasing/managing the Rhodesian Railway whose continued service is vital to the nation's economy and maintaining a high level of foreign exchange reserves.

Botswana has concretely demonstrated through its development planning and its budgetary allocations a strong commitment to Section 102(d) objectives and USAID has few philogophical qualms in fully supporting the goals and strategies of NDP-V, except for a few areas where USAID priorities diverge from those of the GOB.

A. Objectives

Since 85 percent of the population is rural and 45 percent of rural households have incomes below the rural poverty datum line, it is essential to give a high priority to rural development and creation of rural employment. These goals can be met by:

1. Providing income earning and employment opportunities for rural dwellers.
2. Increasing crop production on land of low and medium arability potential through research and extension of farming system packages and encouragement of the Arable Lands Development Program (ALDEP).

3. Taking corrective action against destruction of the resource base for both arable agriculture and livestock production (erosion, overgrazing, elimination of tree cover, exhaustion of fossil groundwater).
4. Strengthening the capability of local institutions and broadening the human resource base in rural areas.

The USAID rural development strategy has focused primarily on building the capacity of key agricultural institutions (Ag Planning, Ag College Expansion, Ag Research, Land Boards). Newer projects focus on employment creation and the financing of rural works which provide more direct benefits to populace.

The greatest single constraint to equitable development in Botswana is the very limited number of trained citizens. Other fundamental educational constraints are a primary curriculum that is not practical and relevant to a mostly rural society; a poorly trained, poorly supervised, and poorly paid teacher force with consequently high turnover; and generally weak English language (language of instruction), math and science programs which penalize all students throughout their education careers and working lives. USAID will move as fast as circumstances permit to support activities which will alter this state of affairs. The mission will continue efforts to provide U.S. OPEX technicians to fill GOB positions while Botswana are studying in high priority areas. This will focus Mission funding in this sector on continued participant training, non-formal education, and primary education improvement programs.

Botswana has a relatively healthy environment and the government has spent considerable sums of money to create the facilities for basic preventative and curative health programs. In support of these commendable efforts, USAID will continue to focus on training nurses and the personnel cadre to staff health facilities. As part of the Water and Sanitation Decade, USAID will also support environmental sanitation and community water programs. Finally, USAID will continue to encourage the incorporation of child spacing (family planning) activities in GOB family health programs.

Rural Botswana households are moving into urban centers in ever-increasing numbers. While most prefer their traditional village lifestyle, the percentage

of Batswana living in towns and urban settlements rose from 4 percent in 1964 to 11 percent in 1971, and to 15 percent in 1978 -- perhaps the highest rate of urbanization in Africa. Despite efforts to improve opportunity and the quality of life in the rural areas, this urban percentage is expected to increase to 18 percent in 1981 and 21 percent in 1984. The GOB is straining to accommodate rationally to rapid urbanization while stressing rural development. But for at least a decade, increased rural employment will not stabilize migration to the towns. The GOB has adopted a set of enlightened policies regarding land, urban development housing to accommodate rapid urbanization and to deal with the problem of dramatic growth of squatter areas. Its major policy objectives in the shelter sector are:

1. Non-subsidy of urban development by relating standards of infrastructure with the community's ability to pay for services provided.
2. Prevention of speculation by furnishing adequate supply of serviced land for all income groups.
3. Cross-subsidy from land sales in high and medium cost areas toward development costs in self-help areas.
4. Reduction of housing segregation by income through promotion of mixed-housing types.

USAID will continue to assist the GOB in implementing its low-cost housing program in Gaborone through HIG's for development of sites and services, capitalization of the Town Council's Self-Help Housing Agency (which has become the model for other donors in the remaining urban centers), and through OPG to FCH for technical management of the self-help housing program.

Continued improvement of Botswana's transportation network is essential:

1. As a pre-requisite for exploitation of the economic potential of isolated regions of the country,
2. To forge economic links with newly independent neighboring countries and provide Botswana with alternative routes for exports and essential supplies (as well as reducing dependency upon the Republic of South Africa, and
3. To deliver services to the isolated pockets of rural poor in remote areas.

Now that USAID has undertaken, supplemented by IBRD and FRG activities, to strengthen the road maintenance capabilities of the Ministry of Works and Communications, our objective in this sector through FY 1986 will be support for (a) the country's secondary and feeder roads program in areas of agricultural potential and improving international linkages with Namibia, Zimbabwe and Zambia; and (b) improvement of District Council road maintenance capability. Supplementary to major inputs by other donors, we should also finance selected discrete elements, including training of personnel for improving international air transport, the nationalization of the railroad, and measures needed to encourage growth of private-sector long-haul truck and bus routes.

Finally, USAID must take the lead:

1. in funding research, development, and pilot activities in the uses of renewable energy sources to help eliminate Botswana's dependence on high-cost imported petroleum products and prohibitively expensive electric power generated by fossil fuel;
2. in supporting the GOB initiatives in drought monitoring and contingency planning to help establish mechanisms to protect the population and economy against the ravages of 1-3 years of drought which can be expected to occur each decade; and in
3. joining with other donors in undertaking an interdisciplinary program of *water resource + irrigation* ecologic, hydrologic, health, agriculture, and sociologic studies of the management and utilization of the waters of the Okavango Basin in Angola, Namibia, Zambia, and (most importantly) Botswana.

B. Development Alternatives

Despite the continuing need for attention to security situations, particularly on the Eastern border, Botswana remains committed to rapid economic and social development through an enlightened and progressive government. The GOB's planning and development policies are generally responsive to the needs expressed by both rural and urban poor. National Development Plans are developed with increasing inputs from the local districts and constitute a fully satisfactory basis on which to plan provision of AID assistance, especially for consistency with Section 102(d) of the FAA and the AID mandate. Moreover, the sustained rate of economic growth generated by GOB policies under extremely unpromising conditions places Botswana among the most deserving AID recipients.

The GOB has a sophisticated system of managing donor assistance that makes collaborative-style project design and implementation attractive and successful. The Ministry of Finance and Development Planning, through the technical ministries, develops its own programs and projects -- often drawing upon teams, studies and reports provided through donor funding -- and selects donors for funding elements of the broader government program. All projects implemented must be in the National Development Plan. In brief, the GOB plans and manages its own development process (albeit with large increments of expatriate workforce in the government service), and expects donors to collaborate in carrying out GOB policy and programs.

This system makes it particularly attractive for USAID to respond positively to GOB requests that fit U.S. objectives, AID priorities, and USAID capacities. Thus, a fully collaborative style of project planning and implementation can be, and is, effected. In virtually all TA projects, the AID-financed technicians (contract, PASA or PVO) operate as line officials of a GOB department or ministry or local government entity. This permits and requires the technician to fit GOB operational concepts rather than act only as advisory members of a non-integrated AID team. While this introduces very basic problems concerning the pressures for bringing Botswana nationals into senior technical jobs in government, it allows for direct interaction and on-the-job training of Botswana in the government by their expatriate colleagues, not outsiders. It brings U.S. technology into the government agency's own catalog of capabilities. Finally, it permits holding USAID direct-hire staff to the minimum level required for program planning and management, controller functions, and housekeeping management for all American staff.

This style is showing success, is truly collaborative, and meets the IDCA/AID and Congressional priorities, so there is no apparent reason to challenge it. Because of its own process for developing projects and seeking donor inputs, the GOB opposes a single donor providing all of the assistance requirements for a specific sector, and seeks help from the donor best equipped to provide it for any given portion of a GOB program. Accordingly, USAID has adopted a balanced program selection to support the GOB decision to ask for AID assistance in sectors and projects where American technology, institutional capabilities, and/or commodities are outstanding; where our regulations do not inhibit meeting program objectives; and where U.S. priorities coincide with those of the GOB.

Concentrating USAID efforts in only one or two sectors or problem areas would not deal with the multi-sector causes of poverty identified in Part I. For example, concentration in the agriculture and transport sectors would deny U.S. help to Botswana in removing the basic constraints to economic development: shortage of skilled technical work force, urban services shortage, high cost of energy, and lack of non-farm employment in rural areas.

Geographic concentration of the USAID program would not be acceptable to the GOB, which has a consistent proclivity to prevent donors from "setting up flags" (e.g., concentrate on a single region or district of the country). Thus, there are no integrated rural development projects here which are usually area-specific with a single donor funding all sectors in the area. Moreover, there is great interdependence among regions of Botswana, and regional concentration would require continuing nationwide monitoring to assess impact of project intervention.

Either of the above (sector or geographic concentration) would not be responsive to Congressional desires to directly improve the lives the poor majority (nationwide distribution), to IDCA/AID initiatives in energy, health and the environment, or to GOB priorities for improved infrastructure and increased rural employment.

C. Regional Development Programs

In the past year the GOB, represented by Vice President Masire, who is also Minister of Finance and Development Planning, has taken the lead in inducing the Front Line States (Tanzania, Mozambique, Zambia, and Angola) to formulate a program of regional projects, particularly in transportation and communication for the five states plus Lesotho, Swaziland and Malawi, with membership open for independent Zimbabwe and Namibia. The Vice President has also urged an ECA committee meeting here to recognize the need for regional cooperation and multi-donor funding of transport, training, and research activities in Southern Africa.

USAID/Botswana strongly supports these initiatives and believes that AID should join with other donors in providing funding for such programs and projects that

the countries of Southern Africa agree upon and sponsor. It would be useful, too, for AID to fund secretarial operations for regional institutions, similar to the Southern Africa Commission on Transport Sector projects in Maputo, for which UNDP has provided \$5 million for staff and operations for three years. Projects or programs in Botswana that might qualify for multi-donor support as part of regional activities include:

1. Ecologic, technical and economic studies of the Okavango Basin in Angola, Namibia, Zambia and Botswana.
2. The Jwaneng/Ghanzi/Gobabis (Namibia) road.
3. The Francistown to Plumtree (Zimbabwe) road.
4. Improvements to ports in Namibia, Mozambique and Angola for use by Botswana, Zambia and Zimbabwe.
5. Regional maintenance facilities and joint scheduling for national airlines of Southern Africa.
6. A secretariat of Southern Africa Ministers of Education to establish centers of excellence for training in selected disciplines within the region (similar to SEAMEO in Southeast Asia).

D. AID Assistance Strategy: FY 1982-1986

The greatest overall constraint to continued economic growth and to orderly economic and social development in Botswana is the geopolitics of its physical location. Botswana is land-locked; is historically dependent of the Republic of South Africa (RSA) because of the efficiency and size of that country's economy and military organization; has evolved from protectorate (backwater) status rather than a colony; and thus had little benefit from U.K. (the metropolitan power) investment in human resource training or infrastructure investment; has no tradition of entrepreneurship or crop agriculture, has had to concentrate much of its own resources on security, refugee care, and protecting its access to ports and supply sources in RSA. Despite this adverse location, Botswana has taken the lead in Southern African initiatives for regional cooperation (Arusha Conference) and set a continental example of devotion to parliamentary (multi-party) democracy, upholding human rights, and dedication to rational, equitable development while adjuring "show" projects. Despite a lack of good land and adequate rainfall, overwhelming dependency on RSA for employment opportunities, training, and source of supply from food to petroleum, Botswana has kept a foreign policy aligned with independent Black Africa

and oriented toward the West. GOB economic and social development strategies, thus, include continued heavy dependence on Western external donors for technical assistance, capital inputs, training, and security support -- both political and material.

USAID believes that the geopolitical situation in the region, coupled with Botswana's role as an island of democracy, non-racialism, and dedication to human rights means a potential confrontation with RSA as the front-line for independent majority rule Africa. This would require a significant portion of its well-planned development program to be deferred for expenditures for security concerns and major capital investments that may have low economic rates-of-return but are essential to maintain or establish alternative routes for transport and communication outside its borders. This appears to argue strongly for continued use of Economic Support Funds (Security Supporting Assistance) for AID activities in Botswana, regardless of strong foreign exchange reserves (which are clearly necessary to deal with many likely contingencies beyond Botswana's control in neighboring countries) or relative high per capita income based on mineral receipt by the government.

With an appalling lack of employment opportunity (to be exacerbated as RSA follows its policy of reducing the use of expatriate mine labor) for the nearly 20,000 young people entering the job market each year, a very low level of technically trained work force and a percentage of female-headed households resembling that of a country immediately following a major war, Botswana continues to require major external assistance. A number of problems are beyond the technical and financial ability of the GOB:

- training a skilled work force
- funding packages for crop production that can both provide employment and close the gap toward food self-sufficiency (now about 50 percent of requirements)
- reducing dependency of RSA by providing capital investment in transport and communication links elsewhere
- creating a private sector capable of furnishing goods and services to meet domestic needs
- dealing with special development problems of renewable energy, urban shelter, and resource conservation.

Efforts will also be made to find ways in which AID can assist in building up the very weak indigenous private sector through PVO's such as IESC, encouragement of U.S. investment through OPIC and ExIm Bank, etc.

Assistance will be provided to continue to develop greater use of solar and other renewable energy sources, while the GOB also exploits existing and anticipated deposits of coal, petroleum and uranium. Another special development problem to receive attention by AID will be resource conservation involving rational use and renewing of water supply, soil, wood, wildlife, and waste products.

In providing support to the four-pronged GOB development objectives -- rapid economic growth, social justice, economic independence, and sustained development -- the USAID goal will be to assist the GOB to strengthen its ability to deliver developmental activities to the population so that by the end of FY 1986, both urban and rural population below the poverty datum line will be reduced from 45 percent (rural) and 47 percent (urban) to no more than 30 percent. In the urban sector, one project activity will be limited to Housing Investment Guaranty and PVO activity in support thereof.

Wherever feasible, new activities will be sector support -- as already initiated in rural development and transportation -- so there can be a reduction in the number of management units. We shall also continue to strive toward life-of-project funding to reduce the mortgaging of future year funds; however, this requires cooperation from AID/W which has not been forthcoming.

Women play a vital role in any GOB development strategy because about 24 percent of all households are female-headed and women are traditionally the primary crop-production workers and responsible for most non-livestock farm activities, except plowing. USAID programs and those of other donors addressed to the poor majority have women as major recipients in all sectors, particularly health and agriculture^{1/}

USAID projects already are designed and implemented in close concert with the Peace Corps. This will be continued and more use will be made of PCV'S as a part of the implementing team. Continued employment of ex-PCV's will also continue for both contract positions on projects and for OPEX contracts to fill

^{1/} See backup paper "Women in Botswana."

GOB line positions. (Currently, there are 15 PCV's working on USAID projects and ten ex- PCV's under AID-funded contracts.) In addition, two of the 12 AID DH staff are former PC. PCV's are not, however, utilized as senior professional advisors on project implementation.

USAID has three on-going PVO grants in Botswana: Partners for Productivity, International Voluntary Services, and Foundation for Cooperative Housing. Two more are planned for FY 1980 and a third, larger than others in Botswana, for FY 1981-83. Voluntary agencies are well received here, and have been largely successful in designing proposals and implementing high-priority activities with a minimum burden on the USAID Mission. It is planned to increase gradually the use of PVO's as more such organizations become interested in working in Botswana.

E. Kinds and Terms of Assistance

In FY 1980, all AID assistance is grant-funded from ESF funds. As noted above, we believe ESF funding will be justified for Botswana through the NDP-V period.

Botswana's economic growth prospects through FY 1986 depend largely on the performance of two vital export sectors -- minerals and livestock. Revenues from livestock are not expected to increase substantially in real terms over the planning period. The country is overstocked and GOB efforts should be focused on conserving the range resource base rather than further expansion. Botswana's special access to the EEC beef market rewards local producers with higher-than-world prices, but increasingly this benefit is accruing to a smaller percentage of the population. If EEC rescinds Botswana's special access, government revenues would fall marginally.

The mineral outlook is very favorable with a large new diamond mine at Jwaneng coming into full production in 1982/83. Government revenues from minerals are projected to triple from about \$50 million in 1979/80 to \$171 million in 1984/85 (1979 prices). These projections are tentative and would, of course, be substantially affected by decreases in world mineral prices (especially diamonds), any overestimate of the size of the Jwaneng diamond pipe, and the quality of

mine management. In addition though, a recent aeromagnetic survey which is soon to be followed by more precise prospecting surveys, indicates promise of locating commercially exploitable deposits of coal, copper, platinum, soda, uranium, gold, and petroleum.

Thus, both the levels and the form of U. S. aid to Botswana should alter during the planning period. We believe that activities with development-assistance justification for human resources development, agricultural and rural development, health, and selected development problems should rise from around \$10 million in FY 1980 to perhaps \$14 million in FY 1983, followed by a tapering off to say, \$10 million in FY 1986. Security and humanitarian assistance for ESF-justified activities, now about \$6 million should, as explained in the FY 1981 supplemental CDSS, run at about \$10 million through the planning period -- dependent, though, on the political and military situation in the region and Botswana's continued determination to maintain an independent, democratic, non-racial stance.

Beginning in FY 1981, the AID program should gradually shift from grant to development loans. At the same time, elements of reimbursable assistance should be introduced so that by FY 1986 -- barring deterioration of the security situation or economic reversal -- Botswana would assume full funding responsibility for all U.S. assistance, except for ExIm Bank lending, OPIC guarantees, and perhaps selected training and OPEX opportunities.

F. Absorptive Capacity

Botswana has the financial and institutional (planning and management) capacity to handle the NDP-V programs. GOB absorptive capacity has been limited in certain sectors less by the absence of good projects than by the unavailability of trained personnel to implement programs. Nevertheless, with continued substantial expatriate assistance -- both in GOB government service and through donor contracts -- Botswana has achieved an outstanding record in utilizing donor assistance effectively and efficiently. If we increase our insistence on the assignment of counterpart personnel for one-the-job and academic training, the GOB should be able to absorb the projected AID and other donor assistance through FY 1986, unless expatriate manpower is precipitously reduced before the trained Botswana are able to fill their assigned roles.

PART III - ASSISTANCE PLANNING LEVEL

	<u>FY 82</u>	<u>FY 83</u>	<u>FY 83</u>	<u>FY 85</u>	<u>FY 86</u>	<u>TOTAL</u>
Agriculture and Rural Development	6.0	5.0	4.5	4.5	4.5	24.5
Family Planning (NICH Campaign)	1.0	1.0	1.5	1.5	2.0	7.0
Health	2.0	1.5	3.5	2.0	4.5	13.5
Education/Human Resource Development	4.0	4.5	5.0	5.0	5.5	24.0
Transportation	-0-	5.0	-0-	5.0	-0-	10.0
Selected Development Activities	5.0	3.0	3.5	2.0	3.5	17.0
TOTAL	18.0	20.0	18.0	20.0	20.0	96.0

The Indicative Planning Allocation (IPA) for Botswana proposed by AID/Washington for FY 1986 totals \$8 million. This level reflects no consideration of Botswana's commitment and performance, Botswana's needs, or funding levels approved or proposed for FY 80 through FY 85. Based on the SADAP report, the FY 1981 CDSS Supplement, and this CDSS, USAID believes \$20 million to be an appropriate level.

This represents a level which permits the U.S. through AID to continue its assistance to the GOB development momentum. Anything substantially less than this amount out of forecast global levels would undercut seriously the demonstrated ability of the U.S. to support GOB initiatives in its concerted efforts to develop a cadre of expertise at all levels. This would permit early "localization" of an increasing number of government positions each year and give the GOB efforts a more "Botswana" flavor. Substantial reductions would also signal a lack of U.S. commitment to support democratic, non-racial states in Africa with commitment to Section 102(d) criteria and an informal alignment with the West.

If the long-range objectives of the national development efforts are growth with equity, the implementation of that goal requires an increasing number of employment opportunities in the rural and the urban sectors, and more skilled work force to staff the private and public sectors with appropriate skills. For this purpose, the message of the AID program in Botswana is training, both in-country, third country, and in the U.S. in priority sectors: Agriculture and Rural Development, Health, Education/Human Resources Development, Transportation, and Special Development Problems.

As detailed in Part II, Strategy, the AID program in Botswana is entering a transitional period from grants to reimbursable-and-loan activity with the caveat, if

there is not a major deterioration in the political stability of the region following the scheduled elections the end of February in Zimbabwe-Rhodesia. This transition in terms and form of aid has been discussed with the Vice President of Botswana who is, concurrently, the Minister of Finance and Development Planning. It has also been discussed with ministers and permanent secretaries of other ministries of the GOB.

A. Indicative Planning Allocation (IPA) and Proposed Assistance Planning Level (PAPL)

USAID submission of the Progress-and-Commitment Data resulted in Botswana being classed at the top of the list both for progress to date and commitment to development. In its FY 81 CDSS supplementary submission, USAID presented a PAPL of \$20 million annually for a five-year period (1981-85). Based on the most recent progress-and-commitment submission, the IPA is now shown as \$8 million, substantially under the proposal shown in all previously approved planning documents, and a level that is both economically and politically unrealistic. The PAPL is high because the needs of Botswana are great, and it is in the U.S. interest to provide the resources to help Botswana remain a model of non-racial democracy, human rights, and sound planning in the region.

If the cost of development appears greater than average per capita in similar countries, Botswana has demonstrated the ability to plan projects soundly, utilize assistance, and provide growth with equity more consistently than most LDC's. In addition, the great distances to pockets of the poor, the unfavorable geography and climate, and the geopolitical location of Botswana, make development expensive.

Botswana is one of the few countries of the third world with such a short development history. As a result of its special situation as a Protectorate, Botswana did not share in the typical colonial experience of other countries in West, Central and East Africa. In terms of human resource development, Botswana did not have the educational and training advantages of colonized countries that resulted in a public or a missionary school system, and that provided -- at Independence -- a population that was functionally literate in an European or indigenous language with mechanical, agricultural and educational skills upon which development could be based. Yet for historical reasons based on its indigenous culture, the commitment to democratic institutions is among the strongest in the third world. For these reasons, the IPA level is unrealistically low and based on unrealistic norms for planning purposes.

1. The Sector Approach: As detailed earlier, the GOB does not want a major donor to carve out a sector or a geographical region as its own. On the other hand, the U.S. as a source for development is recognized increasingly as offering skills and technology that respond to national needs. The USAID program reflects government priorities in four major sectors (Agriculture and Rural Development, Human Resource Development, Transportation, and Urban Shelter), with particular importance to human resource development in each of those sectors supportive of the GOB policies of "localization" and employment generation. Special problems are not neglected with particular reference to resource conservation and alternative energy.
2. Agriculture and Rural Development: A major emphasis of USAID's activities in Botswana will continue in this important sector. Forty-five percent of the rural population does not possess the minimum number of animals to constitute a herd of sufficient size to ensure annual off-take for cash or even for plowing. The level of farming technology is such that the farmer with a typical-sized plot of 2.5 hectares does not have access to animals for plowing at a time when he can achieve the maximum results for seeding. The knowledge of soils, fertilizers and other inputs is uneven so an important new start will be basic, applied agricultural research supported by training for research personnel and, ultimately, of extension personnel. Although the first stage of a formal program with the Botswana Agricultural College will conclude in FY 1982, a preliminary evaluation suggests that additional technical assistance may be needed to strengthen certain departments of BAC in Botswana, with additional training of counterpart personnel in the U.S.

The Government is giving particular emphasis to the rural sector; the U.S. support to this project will be through the Rural Sector Grant project which, working through three different ministries (Agriculture, Local Government and Lands, Commerce and Industry) seeks to help the rural population improve agricultural productivity through increased access to better practices and inputs; identify employment opportunities in rural areas, provide technical assistance and capital to ensure that well-presented activities will have an opportunity to meet their objectives.

3. Health: Ten years before Independence, the British embarked on a program of hospital and clinic construction. Now, only 23 years later, Botswana has an admirable system of village clinics and referral hospitals. Much work remains to be done in training of professional and paramedical workers, and administrative personnel and stocking medicines. USAID sees continued U.S. involvement in the health sector as U.S. expertise in Botswana, and training in the U.S., continue to gain broader acceptance. Of particular interest to the GOB is environmental sanitation in rural areas; as an existing USAID assisted pilot project is completed, USAID anticipates that the GOB will seek U.S. assistance to support a district-by-district campaign that will require several years to ensure national coverage.

4. Education and Human Resources: During the short time USAID has been operating in Botswana, formal U.S. participant training for GOB personnel (degree and non-degree) has gained wide acceptance. This has been primarily because of the ability of U.S. institutions to adapt their training and entrance requirements to the initial skill and education level of the Botswana participant and to offer remediation courses as required. This training and placement flexibility, and the wide range of degree and non-degree courses available, has been extremely effective for Botswana manpower development training. Coupled with the training has been the OPEX (operational expert) activity which provides for the GOB to contract a U.S. specialist to fill a high priority position while government employee(s) are away for training. The GOB pays the U.S. OPEX a salary and provides housing and basic house furnishings. The AID program supplements the specialist's salary to the approximate U.S. level. USAID envisions that manpower training and the OPEX replacement mechanism will continue during the life of the bilateral program as one of the cross-sectoral activities of AID assistance in Botswana.

In the all important education sector, the GOB has selected primary education improvement as their number one priority and emphasis for the NDP-V. To assist and support the GOB to increase access, and to improve efficiency and relevance at the primary level, the mission proposes to support the GOB in providing appropriate and effective pre-service and in-service instructional programs for all GOB staff, head teachers, inspectors, and teacher training tutors involved in basic and primary training; to help provide more specificity and integration to the GOB's primary curriculum and improvement strategies; and to explore additional formal and non-formal approaches to the basic primary education skills.

5. Transportation: Approaching the size of Texas, with 85 percent of the population concentrated along the North-South border of the Eastern corner, the balance of the population still must have access to transportation around the periphery of the vast Kalahari Desert. Botswana, per capita, probably has among the more expensive road systems in the world. To ensure year-round access by road, eventually much of the roads will have to be hard-surfaced because otherwise only 4-wheel drive vehicles can cope with the soft surfaces. The design, construction and maintenance of secondary and farm-to-market roads, is a significant contribution by AID to support the delivery of education, health and agricultural services to the rural population. The emphasis of the program will continue to be training in equipment maintenance and operation while, at the same time, constructing certain segments of roads key to rural development.
6. Special Development Activities: In addition to PVO activities, special development activities will include projects to protect the environment (resource conservation), develop alternative energy resources (Renewable Energy Technology).
7. Regional Projects: The stated policy of the government is to "shed its dependence on aid from countries outside the region; in its place it - Africa - must develop a viable development strategy based on subregional and regional self-reliance." This is not xenophobic policy, but the realization that eventually Botswana must develop its own resources -- human and natural -- and must cooperate more closely with other Southern African countries to share the burden of development as opposed to creating new institutions for higher visibility. Botswana is regionally-minded (the Arusha Meeting initiative), but the difficulties include distance, economic relationships with South Africa, and the problems of shared administration of regional activities. USAID expects to support regional activities that are soundly developed from proposals supported by the GOB and originated from within the region.

8. PL 480: Because of distances, the costs of PL 480 programs would be disproportionate to the same commodities procured from the customary market, South Africa. Therefore, USAID has had to discourage a formal request for Titles I and III food aid. The Title II contributions to the World Food Program (WFP) of the U.N. for feeding vulnerable populations in Botswana will continue to be supported.
9. Housing Investment Guarantee: A U.S. PVO, the Foundation for Cooperative Housing, currently has a program in Botswana which supplements a HIG program (\$2.4 million) for the development of sites-and-services and building material loan for low-cost housing in Gaborone. USAID anticipates that this successful PVO project will continue in Gaborone, and now expansion to service other towns (Selebi-Pikwe in CY 80; possibly Lobatse in CY 81) will improve its value. At the request of the GOB, a HIG of \$15 million is planned for FY 1981 for sites and services, low-cost housing building materials and community services/facilities in Gaborone West and Jwaneng Town. Further HIG's are scheduled to keep pace with the GOB's capacity to absorb and to match GOB programs to deal with rapid urbanization. This would mean a HIG program level of \$10 million in FY 83 and \$15 million in FY 86 with complimentary OPC and integrated improvement program for the urbane poor (IIPUP) programs.

B. USAID/Botswana

With twelve direct-hire positions (nine professional and three supporting staff), USAID in Botswana depends heavily on REDSO/EA to provide additional professional skills in most sectors: engineering, procurement, project design, contracting, etc. The regional legal officer, regional health officer, and macro-economist are based in Swaziland. An increasingly important part of officer time is spent on responding to inquiries from special interest groups within AID for detailed information, or proposing TDY's that, not infrequently, do not respond to GOB needs.

1. Staffing

In the FY 81 ABS, USAID/B requested authorization for additional FSN positions. Although USAID has been recruiting for them (program assistant, bookkeepers and accountant, secretary-typists), the reservoir of skilled clerical and professional personnel in Botswana is extremely thin. A major

constraint to USAID is project management is not the size of the U.S. direct-hire work force but what, in most countries, would be the FSN's. For at least two of the positions (accountant and program assistant), USAID may have to recruit through neighboring missions for these positions.

Currently, the USAID ceiling is 16 U.S. direct hire, of which two are IDI's and three 32 hour/week part-time resident-hire dependents, plus 12 FSN. Provided we continue to have 1/3 time of the macro-economist, legal advisor, and health officer based in Swaziland and continued support from REDSO/EA, no additional positions will be required, although as the projects in various sectors shift, the positions within the ceiling will vary. On-board strength, of course, should be the same, or no more than one less, than the authorized ceiling.

BOTSWANA

BACKGROUND PAPER - CDSS POPULATION ANALYSIS

INTRODUCTION

This paper is a very brief analysis of the population activities and a general strategy USAID/B should adopt with respect to supporting a population program for Botswana. The analysis does not deal with the health sector in general, but is limited to family planning within the MCH/FP program of the country.

Part I is a summary statement of the paper. The second section provides some basic demographic and health-related background, as well as a little about the socio-cultural setting in Botswana. The third section describes current GOB policy and programs in relation to population. Part IV is an analysis of the strengths and deficiencies in the current program. Part V suggests a development strategy that USAID/B should adopt with respect to population and supporting programs.

PART I. SUMMARY

Despite some deficiencies in the population information, a general demographic picture for Botswana has been established. It is a country of approximately 805,000 people, 85 percent of whom live in rural areas. Settlement patterns have been governed by the availability of water and employment. Two-thirds of the population are women of child bearing age and children under 14 years of age, and average life expectancy from birth is 55.6 years. The annual growth rate is a high 3 percent due to declining death rates and a fairly high crude birth rate. The total population for Botswana is expected to reach 1.438 million by the year 2000. It is hoped that the fertility rate will gradually decline as family planning efforts take effect.

The health status of the population is fairly favorable due to relatively high per capita health expenditures and a reasonably good MCH/FP program in the rural areas. Infant mortality, although still unacceptably high

at 97/1000 live births, is lower than rates in other countries in Southern Africa. Communicable intestinal, respiratory and childhood diseases are the major causes of mortality and morbidity.

The GOB does not have an explicit population control policy; however, the Ministry of Health has been conducting a very solid MCH/FP program within their primary health-care system. Family-planning motivation and services are provided as part of the effort to protect maternal and infant health and promote family well-being. Acceptor rates have not been very high in the past due to inadequate support of the Family Welfare Educators, the village health workers of Botswana, who are primarily responsible for community education and development. Techniques in motivation have not been as responsive to felt needs as they should be.

USAID/B should continue to support the Government's approach to the integration of MCH and FP services by assisting the MOH strengthen its primary health-care system. The current USAID/MOH health service development project provides a good mechanism for improving services at the periphery. Additionally, opportunities may arise in the next five years for AID to help strengthen the administrative and technical support and supervision of the FWE's which, as an intervention, should make an impact on their effectiveness as front-line MCH/FP workers.

PART II. BACKGROUND INFORMATION

A. Demographic Description

In Botswana, as in many other African countries, there is still much that is uncertain about the demographic situation. The 1971 national census provided some information upon which government projections are made. WHO has also provided what are considered to be more realistic projections utilizing the same census data and using 1950 as the base year. It is unlikely that more detailed demographic data will be available until after the 1981 national census. The following is a summary description of the population given the stated limitations.

The Central Statistics Office (CSO) estimates that the de facto population of Botswana was 763,000 in 1978 and the de jure population (including non-citizens and absentee citizens) was 805,000 in the same year. Eighty percent of the people live in the Eastern portion of the country where there is sufficient rainfall to permit subsistence agriculture and livestock grazing. Eighty-five percent of the total population still live in what are defined as rural areas, although there has been a rapid increase in urban migration in the last five years.

Women of child-bearing age and children under 14 years of age make up 66 percent of the total population. Life expectancy at birth has been estimated to be 58.6 years for females and 52.5 for males. The 1971 census also provided the following vital statistics:

Crude birth rate	44.5/1000 population
Crude death rate	13.7/1000 population
Annual growth rate	3.08 percent/year
Sex ratio M/F	84/100
Dependency ratio	115 dependents/100 supporters
Infant mortality	97/1000 live births
Under-two mortality	126/1000 live births
Average live births/ women under 50	6.5

According to WHO figures, the percentage of the population in the 0-4 age group will fall from 20 percent to 15 percent over the next 20 years. the population pyramid should gradually shift so that the median age will increase from 14.59 years in 1980 to 17.53 in 2000. WHO projections also imply a total population of 1.438 million by year 2000. Their analysis of the trend in crude birth and death rates projects that the growth rate will drop from 3.4 percent in 1980 to 2.6 percent per annum by year 2000.

Although there has been some disagreement about the actual population growth rate, Botswana is clearly in a transition period from high mortality and high fertility to low mortality and (hopefully) lower fertility. It is felt that the effects of the family planning efforts will take longer to appear, creating a temporary situation of high fertility and low mortality. The Ministry of Health (MOH) is planning a survey of fetal, infant and early childhood mortality and fertility patterns which, along with 1981 census data, should provide planners with a more accurate demographic picture.

B. General Health Status

The causes of morbidity and mortality in Botswana are similar to other developing countries with infectious respiratory and intestinal ailments taking the lead. Hospital discharge records from 1977 show TB, measles and "certain peri-natal causes" as the three leading causes of death. The three leading causes of morbidity among children under five were recorded as measles, diarrhea and influenza and pneumonia. As is true elsewhere, in Botswana the pre-school children and pregnant and lactating mothers are the most vulnerable portion of the population to these diseases.

Poor nutritional status of the under-five age group is also a growing concern in the country. A national nutrition surveillance program, started in 1978, has already demonstrated that an average of 23.6 percent of pre-school children are classified in the "at risk" category (below 80 percent of weight for age).

Botswana is unusual in having a relatively low infant mortality rate at 97/1000 live births, as compared with Swaziland, for instance, which has an IMR of 162/1000 live births, despite Swaziland's higher GNP.

The SADAP Health Paper also identifies mental disorders, alcoholism and venereal disease as major public health problems.

C. Socio-cultural Setting

Although anthropologists have identified eight different tribes, Botswana does have a fairly homogenous population, linguistically and culturally (with the exception of about 10,000 bushmen). Most Batswana depend heavily on agriculture and livestock for their livelihood. Large numbers of young males, however, migrate to work in South African mines and although there may be as many as 25,000 who do so, it has not affected the birth rate.

A 1974 survey of rural income distribution revealed that about 40 percent of the rural households were subsisting below the poverty datum line. The literacy rate is 33 percent (1972 figure), although currently approximately 85 percent of all children between 5-14 years of age are enrolled in primary school.

Very little detailed information is available with regard to the rural people's health or family planning related behavior. The GOB estimates that there are over 2,000 traditional health practitioners in the country who are used concurrently with modern health services, and they are believed to be very influential.

Limited information about family planning and child-spacing attitudes is available from a study done in a Southern health district by a Norwegian group (DERAP). This research, even though it is limited to one district, does provide a reference for analysis regarding acceptability of MCH/FP interventions to the people.

PART III. DESCRIPTION OF CURRENT PROGRAMS

This description is limited to the MCH/FP activities within the MOH and to the general government attitude toward population control.

A. GOB Policy

Although the government has no national population policy per se, it has become increasingly aware of the economic and health-related disadvantages of rapid population growth. Family planning is seen as an integral part of the maternal and child health-care services offered as part of primary health care. A draft of the health chapter of the Fifth National Development Plan stresses the increasing emphasis on the MCH/FP program. The first priority in the health sector is identified as training and manpower development. The second priority is the development of programs to protect vulnerable segments of the population with health education and MCH/FP being the first two programs listed.

B. MCH/FP Program

The objectives of this program are to (1) reduce infant and neo-natal morbidity and mortality, (2) improve the health of pre-school children through constant supervision and support, and (3) to reduce maternal morbidity and mortality. The program includes antenatal care, supervised deliveries, post natal attention for mothers and infants, immunizations, family planning motivation and services to those who choose to participate, and finally, school health programs to teach responsible parenthood. The key health personnel involved in these activities are clinic nurse-midwives, enrolled nurses and family welfare educators at the community level. Services are offered through 89 clinics and 8 hospitals. Private groups (missions and industrial groups) operate 8 additional clinics and 3 of the hospitals. Seventy-eight of the clinics and all of the health posts are administered by District and Town Councils who were given this responsibility by the central government as part of the decentralization plan.

Regional health teams have been created to provide supervision, evaluation planning and general development of the health services in each health district. Nine such teams exist currently composed of a medical officer, health inspector, public health nurse and, when available, a social welfare worker.

One of the most important health workers in the MCH/FP program is the Family Welfare Educator (FWE). They are village health workers, selected by the community and trained for 11 weeks in promotive and simple curative health work. There are nearly 350 FWE's currently working in rural areas, and the number will be increased to 950 by 1985. Although some of them are situated at health posts, all are required to make home visits and work in the community. The FWE's form the vital link between the people and the visiting clinic nurse. Nurses are charged with supervising the FWE's, although it is hoped that eventually there will be enough enrolled nurses to work more closely with FWE's.

To assist FWE's in family planning motivation, the GOB provides them with a simple booklet on contraception techniques. On the inside cover of this booklet is printed the quoted government policy of 1976:

"It is a basic right of every family to determine for itself how many children to have and when to have them. If couples are to exercise the choice of determining the number and spacing of their children, then the Public Health Agencies must provide them with the services, supplies and information on how to plan families."

C. Donor Assistance

IPPF has had projects in Botswana since 1967. They began by training a small group of FWE's, supplying contraceptives and vehicles. In 1973, the GOB took over the administration of the MCH/FP program and financial

control over the IPPF grants. Currently the MOH receives all of their family planning commodities through UNFPA and FPTA and are considered a non-grant receiving affiliate of IPPF.

The GOB is clearly determined to control their family planning activities in a way which is consistent with stated government policy of an integrated MCH/FP approach.

PART IV. ACHIEVEMENTS AND WEAKNESSES IN THE PROGRAM

The most current information published on family planning acceptors is found in the 1977 Medical Statistics Bulletin compiled by the MOH Statistical Unit. The following tables show family planning attendances, percentage of new acceptors by FP method and by place of residence.

In addition, 281 female sterilizations and two vasectomies were recorded during 1977. The majority of the female sterilizations were performed post-delivery in hospitals.

It should be noted from the tables that the number of new acceptors did not increase significantly between 1976 and 1977, although total attendances increased by 25 percent. Also, the proportion of new acceptors in rural areas has been gradually increasing.

In the DERAP study of the Southern Health District referred to earlier, the author found a 22 percent acceptance rate of family planning among women 15-44 years of age. This figure represents women who had ever tried to avoid pregnancy or space children. Among the non-acceptors, 28 percent were not acquainted with family planning. Of those non-acceptors who were acquainted with family planning, 63 percent said they wanted more children.

Through a series of detailed interviews, the author concludes that the family planning education currently offered is not relevant to the perceived needs and desires of the rural family. People want more children for old age security, wage-earners, for farming or cattle tending, and even as "bogadi" (bride price) earners.

FAMILY PLANNING ATTENDANCES, 1976-77

TYPE OF PATIENT	NUMBER OF ATTENDANCES		INCREASE OVER 1976 (%)
	1976	1977	
TOTAL ATTENDANCES	40 697	50 733	24,7
First Acceptors	11 251	11 263	0,1
Repeat Visits	29 446	39 470	34,0

TABLE 4 (vi)

PERCENTAGE DISTRIBUTION OF NEW ACCEPTORS BY METHOD:

SELECTED METHODS, 1975-77

FAMILY PLANNING METHOD	PERCENTAGE DISTRIBUTION		
	1975	1976	1977
TOTAL: Number Per Cent	6 627 100,0	7 441 100,0	7 775 100,0
PILL	74,9	69,8	72,1
IUD	16,5	14,2	14,0
DEPO-PROVERA	8,3	11,7	11,2
DIAPHRAGMS & SPERMICIDES	0,2	4,3	,7
CONDOMS			

TABLE 4 (vii)

NEW ACCEPTORS BY PLACE OF RESIDENCE: 1975-1977, NUMBER

AND PERCENTAGES

RESIDENCE	1975		1976		1977	
	No.	%	No.	%	No.	%
TOTAL: New Acceptors	8 112	100,0	11 251	100,0	11 263	100,0
Urban Areas	3 086	38,0	3 914	34,8	3 802	33,8
Rural Areas	5 026	62,0	7 337	65,2	7 461	66,2
TOTAL: Pill Users	4 965	...	5 192	100,0	5 604	100,0
Urban Areas	2 114	40,7	2 242	40,0
Rural Areas	3 078	59,3	3 362	60,0

With respect to the family planning component of the MCH program, the current deficiencies appear to be:

- A. The need to strengthen the supervision and support of FWE'S from mid- and higher-level health personnel, and
- B. a need to improve the specific methods used by FWE's in family planning motivation and follow-up.

If FWE's are to function effectively in all of their duties, but more specifically as FP motivators, the link between them and the services provided needs to be close. The woman who decides to use contraceptives must first see a nurse for initial medical screening or actual insertion of an IUD. The FWE can then act as a supply point for additional cycles of pills or condoms and arrange for referrals when problems occur. The clinic nurse in turn must have adequate administrative, logistical and technical support from the Regional Health Team to insure a sufficient supply of contraceptives, to arrange for surgical sterilizations when requested, and so on. Because the Regional Health Teams are a fairly recent phenomenon and because of the nationwide shortage of registered nurses, the system is not operating as efficiently as it could.

The FWE's should also receive additional training in screening for "high risk" families for FP education and learn how to spot likely acceptor candidates from within their communities. FWE's could learn to use local resources to assist her, e.g., successful users of family planning, local opinion leaders, traditional practitioners, other extension workers, and so on.

The strengths of the current MCH/FP approach to fertility reduction are:

- A. Family planning education and the provision of services is being done without creating the controversy which often accompanies attempts to establish a national population policy.

- B. Services are offered through culturally acceptable means as a part of family life improvement and health protection.
- C. A large group of FWE's has already been trained and are functioning. Their close ties with the community people and eventually, their immediate support from more highly trained health personnel, will make them powerful agents for changing community attitudes and behavior related to family planning.

PART V. STRATEGY STATEMENT

USAID/B should maintain a supportive position with respect to the GOB policy of integrating maternal and child health and family planning services. This approach is sensible because:

- A. The country does not have the human resources to launch a large-scale, centrally administered population program.
- B. The MCH/FP approach is culturally acceptable and the rationale for limiting family size and spacing births for health reasons is conceptually within the grasp of rural people.

It would also not be worthwhile and possibly counter-productive to attempt a policy level change in population. The wisest use of resources would be to help strengthen and expand what the MOH has already started. Population considerations should be part of the planning function of the central planning organization and the technical ministry planning units, and opportunities to assist the GOB in these activities should be utilized.

The current USAID/GOB project in Health Services Development (0078) will make a significant contribution toward the MOH's highest priority in the health sector, that of training and manpower development. The project will help prepare both registered and enrolled nurses to function more effectively in clinics and rural health posts and will train enough of them to provide

adequate coverage in the populated portions of the country. Without this mid-level health cadre, efforts to improve MCH/FP services will not have pay-offs. The project also provides for technical assistance and training in health administration, nutrition planning and health education, all of which will help strengthen the primary health care system.

The overall USAID strategy for assisting the GOB in improving their current MCH/FP activities should now be focused on helping maximize utilization, support and supervision of the FWE's. They are the part of the health system with the greatest potential for educating and influencing the population. FWE's form an important bridge between Village Development Committees, other government extension workers, the health services, and the people themselves. Working in isolation, the FWE's are of marginal use and an expensive investment without much hope for significant health returns.

The Ministry of Health is aware of the complexities, as well as the advantages, of running a fairly decentralized health-care delivery system. They have indicated a receptiveness to have AID help them strengthen the Regional Health Team functions. This could be used as a starting point for further discussion on how to improve the technical and administrative support to the MCH/FP program and the FWE's in particular.

In addition to this, opportunities may arise to give small grants to PVO's or private groups (through centrally-funded projects, perhaps) to do family life education programs or sex education in schools or other means for gradually raising consciousness about the benefits of family size limitation and child spacing. It should be stressed, though, that AID must not support any family planning effort unless the MOH is fully backing the activity.

BACKGROUND PAPER - WOMEN IN BOTSWANA

CDSS Analysis

I. SUMMARY

Batswana women have the same political rights as men. They have the right to vote and are eligible for elective and appointive offices. Two women are members of parliament; one is also the Minister of Mineral Resources and Water Affairs and another is Ambassador to the European Economic Community in Brussels. Traditionally, women have not taken part in kgotla, the traditional village meetings. Nowadays, it is possible to see them at these meetings, but it is still rare to hear women take active part in discussions.

The policy of the government is to give equal opportunities to all citizens irrespective of sex, race, socio-economic background, etc. According to civil law, women have the same legal status as men but there exists a customary law that does not give women the same status as men (Kann, 1979).

More girls start primary school than boys. This is due to the historical reason that boys are needed for cattle herding and are located at cattle posts. But at the university level, there are almost twice as many males as females (see Table I).

TABLE I

		Pupils				Total
		Male	%	Female	%	
Primary School	1977	61,635	45	75,655	55	137,290
	1978	65,211	45	80,248	55	145,459
Secondary School	1977	5,046	49	5,173	51	10,219
	1978	5,400	48	5,736	52	11,136
University UBS	1977	446	67	220	33	662
	1978	500	66	262	34	762

Education Statistics, Central Statistics Office, 1978.

A. Rural

Household labor allocation in Botswana is fairly well defined along sexual division of labor, with women doing food preparation, clothes washing, housekeeping, caring for children, and the bulk of hut building

(Bond, 1974:32). This has changed little since the nineteenth century. In addition, woman's position has been further eroded by the emergence of predominately male migrant labor and the control of this cash income by the males. With men oscillating between intense spells of hard work in the formal economy and period of rest/recuperation in the village, women have been unable to renegotiate the domestic division of labor, and the combined burden of agricultural and domestic labor has probably increased for women (Cooper, 1978).

B. Urban

Women operate a major portion of the Batswana-run businesses. These businesses tend to be in the service sector such as restaurants, hairdressing, sewing and fresh produce business. They are managed on a small scale without the benefit of modern accounting principles and management techniques. The selling and brewing of beer is by far the most significant form of self-employment for women in peri-urban areas of Botswana.

II. ROLE OF WOMEN IN RURAL AREAS

Women play an important role in the rural areas of Botswana. Due to the migration of males into South Africa and urban mining areas of Botswana, women have the responsibility for, and carry out, much of the crop operations, in addition to their traditional roles such as weeding, bird scaring, harvesting, threshing and storage.

Many also keep pigs, poultry and small stock. In Botswana, women have considerable influence in decision-making, particularly on activities in which they are most involved (Bond). In the absence of a husband, many women make all decisions, while married women have much influence during family farm decisions. It would appear that within most households, there is a free exchange of ideas (Bond, 1974).

A. Female-headed Households in Rural Areas

Female-headed households are a disadvantaged group in the rural areas. This is not due to the shortage of arable land, since women do not seem particularly disadvantaged in acquiring land. Arable land is not a major constraint in subsistence arable crop production (Cooper, 1978). Rather, the major constraints are: lack of rain, draft power and equipment, labor and seeds (MOA, 1979).

TABLE II

Age Group	Males to Every 100 Females within Botswana, 1971
00-14	97
15-19	79
20-24	54
25-29	59
30-34	67
35-39	68
40-44	77
45-49	80
50-54	91

Source: Calculated from Table 10, Botswana Government (1972) (Cooper, 1978)

In terms of draft power, women are extremely disadvantaged due to the traditional system of cattle inheritance and labor divisions. Males traditionally inherit the family cattle although females might receive a few. Herding is considered a male task; therefore, even the mafisa cattle system (loan of cattle in exchange for looking after them) is closed to women. It is not surprising that the Ministry of Agriculture found that 54 percent of all household held no cattle, but only 33 percent of those were headed by males as compared to 67 percent female-headed households (GOB/MOA, 1974).

The only way that women can acquire cattle is through cash income or remittances. But "cash is more commonly paid for assistance in clearing land, ploughing and planting (predominantly male tasks) whereas for weeding, bird scaring, harvesting and threshing (predominantly female tasks) payment in kind of reciprocal assistance is more usual. This means that the cash receiving helpers are generally males whereas the latter are more often females." (Bond: 1974). Therefore, women-headed households are caught up in a "no win" situation.

When female-headed households obtain enough cattle to plough (usually 6 or 8 heads), they face the additional problem of having no males to help with spanning and controlling of the oxen. Proportionately, at least twice as many households headed by females were dependent on outside help to get their ploughing done, if in fact, they ploughed at all (Botswana Government, 1974). If they opt instead to hire a tractor, they are again in trouble since this requires cash. "Assuming a family can overcome the first hurdle of ploughing at the right time, it must then gather sufficient labor to hoe and to bird scare properly, not necessarily an easy task when half the men over 15 and a third of the women are employed, and the children are in school. Farming seems to be done by those unable to anything else at the time, the old and the women primarily." (Brown: 1978).

A female-headed household can often have as many mouths to feed as a married household (at least in terms of the woman's own children), as can be inferred from the following (Syson, 1972 from Cooper).

TABLE III

Number of Children per Adult Female		
Age Group	Single Woman	Married Woman
15-19	1.1	1.2
20-24	1.6	2.4
25-39	3.7	4.5
40-54	4.6	6.0

III. Women in Formal Employment in Urban Areas

There has been an underestimation of the amount of non-mine labor migration to South Africa (i.e., farm, domestic and manufacturing workers), due to evasion of the pass control in South Africa. Smit has argued that South Africa probably absorbed an appreciable percentage of Botswana's population between 1930 and the 1950's (1970 from Cooper), and a good proportion of these must have been women in domestic service.

The growth of the formal sector within Botswana has resulted in four-fifths of all jobs (of approximately 50,000) being held by men. Only in commerce and finance (especially shop assistants), education (particularly primary school teachers), and social services are females significant. At the same time, in 1976 around 10,000 domestic servants (as against 50,000 in all formal employment) were employed, mostly women. This points to the fact that the female stream of employment has merely changed direction rather than quality, i.e., from South Africa to within Botswana.

During early 1976, the following were typical wages (per month) for women seeking such employment in Phikwe (Cooper 1978):

Government unskilled	P44
Government cleaner (part time)	P30
Saleslady (large 'modern' shop)	P25 - 35
Saleslady (small, one-man store)	P10 - 25 (plus food and accommodation)

Domestic Servants (high cost area)

P20 - 25 (plus food and
accommodation)

Domestic Servants (low cost area)

P12 (plus sometimes
accommodation)

Married male unskilled or semi-skilled mine workers can barely support a family on their P40-80 monthly wages, while women are generally at marginal levels of subsistence in a service or self-employment situation.

IV. AID's Role in Supporting Woman in Development in Botswana

USAID/B suggests that AID take special interest in projects that deal with increasing agricultural productivity by extending improved commodities and methods to both men and women farmers. AID should look at constraints to agricultural production including lack of draft power in rural farming households, especially female-headed households. Emphasis should be put on recruiting more women agricultural demonstrators and extension agents so that the needs of the women farmers are better met.

Priority should be given to household labor saving devices, such as the sorghum dehuller-grinder, solar mud ovens and other innovations, which can be incorporated into a rural area at little expense but high benefits to the community, especially in terms of female labor input saved for other productive enterprise. These innovations could provide a rural industrial base and cash employment to people engaged in baking and milling. Both of these enterprises could be undertaken by female entrepreneurs given that they have access to credit.

Another suggestion is that AID look at introducing better business management capabilities in Botswana entrepreneurs, both men and women. Women entrepreneurs should especially be encouraged to participate, due to their past experience in self employment and interest in petty commerce in Botswana.

BIBLIOGRAPHY

Bond, C., Women's Involvement in Agriculture in Botswana, Botswana Ministry of Agriculture; Nov. 1974.

Cooper, D. Rural Urban Migration and Female-Headed Households in Botswana Towns, National Migration Study Working Paper 1979.

Government of Botswana, Report on Study of Constraints to Agricultural Development in Botswana. PSU, Ministry of Agriculture, 1974.

Brown, B., "Women's Role in Development of the Kgatleng District in Botswana: a preliminary report." Ministry of Agriculture, 1978.

Kann, U. 'Voluntary Women's Organization in Botswana', SIDA, 1979.

Government of Botswana, Education Statistics Central Statistics Office, 1978.

BOTSWANA : COUNTRY DEVELOPMENT STRATEGY
STATEMENT, FY 82

PN-AAU-121
1 OF 1 (24X)
1980

COUNTRY DEVELOPMENT STRATEGY STATEMENT